Enduring Resources

475 17TH Street Suite 1500 Denver Colorado 80202
Telephone 303 573-1222 Fax 303 573 0461

August 17, 2007

RECEIVED
AUG 2 2 2007
DIV. OF OIL, GAS & MINING

Diana Mason
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P. O. Box 145801
Salt Lake City, Utah 84114-5801

RE: **Bonanza 9-23-24-10**
SESW Sec.10, 9S-23E
Uintah County, Utah
Lease: Fee

Dear Ms. Mason:

Enclosed are two original applications to drill concerning the above-referenced proposed well. Also attached is are copies of the surface agreement concerning this well.

Enduring Resources, LLC is requesting the Utah Division of Oil, Gas and Mining to hold this application and all future information as confidential.

If any questions arise or additional information is required, please contact me at 303-350-5114

Very truly yours,

ENDURING RESOURCES, LLC

Alvin R. (Al) Arlian
Landman – Regulatory Specialist

ara
Enclosures as stated:

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL

5. MINERAL LEASE NO:	6. SURFACE:
Fee	Fee

1A. TYPE OF WORK: DRILL ☑ REENTER ☐ DEEPEN ☐

7. IF INDIAN, ALLOTTEE OR TRIBE NAME:

B. TYPE OF WELL: OIL ☐ GAS ☑ OTHER _____ SINGLE ZONE ☐ MULTIPLE ZONE ☑

8. UNIT or CA AGREEMENT NAME:

2. NAME OF OPERATOR:
Enduring Resources, LLC

9. WELL NAME and NUMBER:
Bonanza 9-23-24-10

3. ADDRESS OF OPERATOR:
475 17th St., Ste 1500 CITY Denver STATE CO ZIP 80220

PHONE NUMBER:
(303) 350-5719

10. FIELD AND POOL, OR WILDCAT:
Undesignated

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 846' FSL - 1990' FWL 643769x 4433965y 40.045567 -109.314693
AT PROPOSED PRODUCING ZONE: Same

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
SESW 10 9S 23E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE:
48.6 Southeast of Vernal, UT

12. COUNTY:
Uintah

13. STATE:
UTAH

15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET)	16. NUMBER OF ACRES IN LEASE:	17. NUMBER OF ACRES ASSIGNED TO THIS WELL:
474'	40	40 acres
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET)	**19. PROPOSED DEPTH:**	**20. BOND DESCRIPTION:**
n/a (forty acre lease)	9,060	RLB0008031
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.):	**22. APPROXIMATE DATE WORK WILL START:**	**23. ESTIMATED DURATION:**
5019' RT-KB	11/1/2007	20 days

24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT			
20"	14" line pipe	40	3 yards	Ready Mix		
11"	8-5/8" J-55 24#	2,016	Premium Lead	138 sxs	3.50	11.1
			Premium Tail	138 sxs	1.15	15.8
7-7/8"	4-1/2" N-80 11.6#	9,060	Class G	215 sxs	3.3	11.0
			50/50 Poz Class G	890 sxs	1.56	14.3

25. **ATTACHMENTS**

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

☑ WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER
☑ EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER
☑ COMPLETE DRILLING PLAN
☐ FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) Alvin R. (Al) Arlian TITLE Landman - Regulatory Specialist

SIGNATURE _____ DATE 8/17/2007

(This space for State use only)

API NUMBER ASSIGNED: 43-047-39586

Approved by the Utah Division of Oil, Gas and Mining

APPROVAL:

Date: 09-20-07

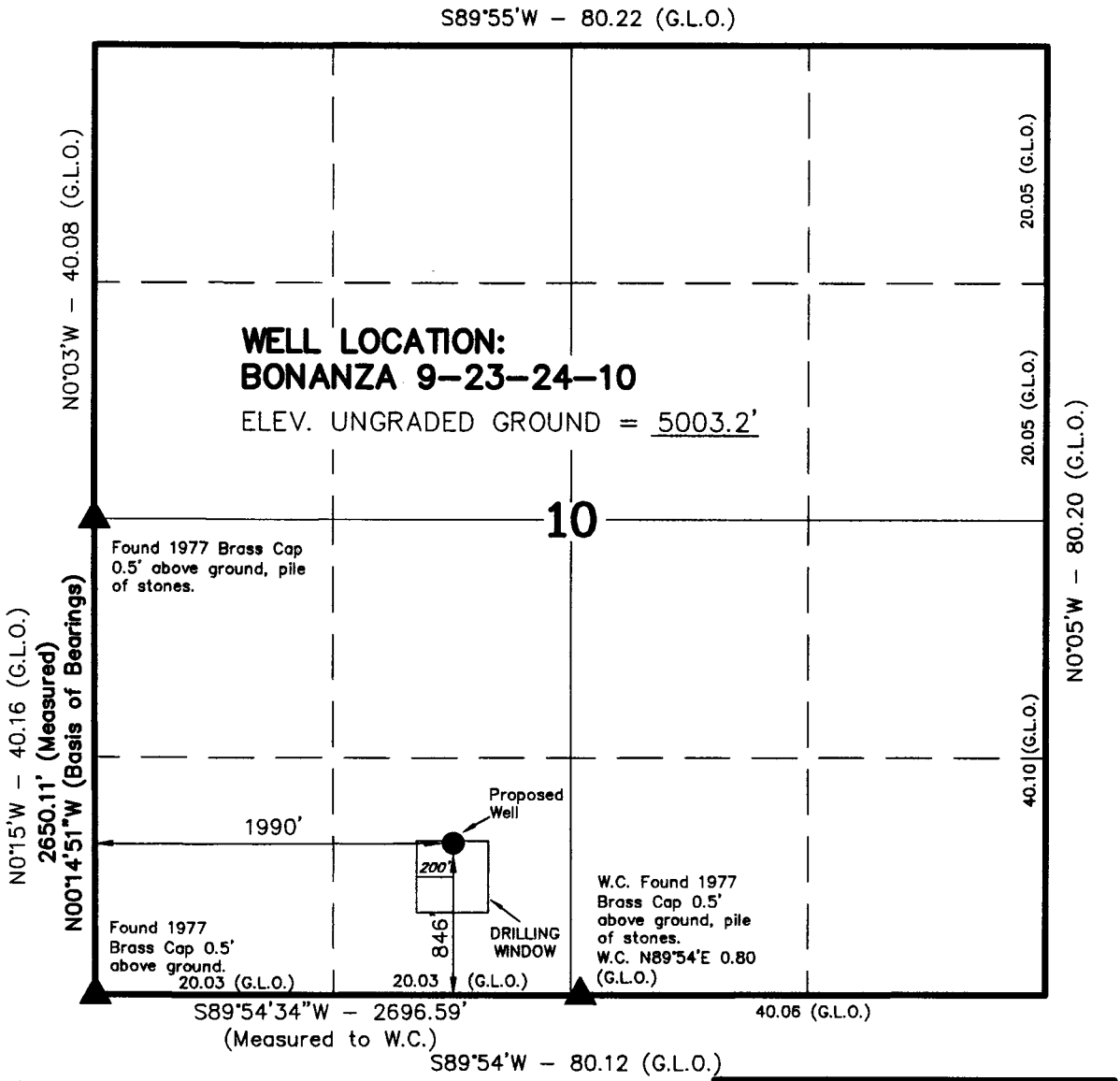
By: _____

(See Instructions on Reverse Side)

RECEIVED
AUG 22 2007
DIV. OF OIL, GAS & MINING

(11/2001)

T9S, R23E, S.L.B.&M.



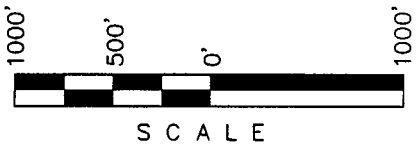
▲ = SECTION CORNERS LOCATED

BASIS OF ELEVATION IS AN NGS BENCH MARK LOCATED IN THE NW 1/4 OF SECTION 14, T9S, R23E, S.L.B.&M. THE ELEVATION OF THIS BENCH MARK IS SHOWN ON THE RED WASH SE 7.5 MIN. QUADRANGLE AS BEING 5031'.

BONANZA 9-23-24-10
(Proposed Well Head)
NAD 83 Autonomous
LATITUDE = 40° 02' 44.00"
LONGITUDE = 109° 18' 55.88"

ENDURING RESOURCES

WELL LOCATION, BONANZA 9-23-24-10, LOCATED AS SHOWN IN THE SE 1/4 SW 1/4 OF SECTION 10, T9S, R23E, S.L.B.&M. UINTAH COUNTY, UTAH.



NOTES:
1. Well footages are measured at right angles to the Section Lines.
2. Bearings are based on Global Positioning Satellite observations.

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. No.362251 KOLBY R. KAY

REGISTERED LAND SURVEYOR
REGISTRATION NO. 362251
STATE OF UTAH

TIMBERLINE LAND SURVEYING, INC.
38 WEST 100 NORTH. – VERNAL, UTAH 84078
(435) 789-1365

DATE SURVEYED: 1-22-07	SURVEYED BY: A.D.F.	SHEET 2 OF 10
DATE DRAWN: 02-05-07	DRAWN BY: M.W.W.	
SCALE: 1" = 1000'	Date Last Revised:	

Enduring Resources, LLC

Bonanza 9-23-24-10
SESW Sec.10, 9S-23E
Uintah County, Utah
Lease: Fee

ONSHORE ORDER 1 - DRILLING PLAN

1. **Estimated Tops of Geological Markers:**

Formation	Depth (K.B.)
Uinta	Surface
Green River	1282
Wasatch	4582
Mesaverde	6478

2. **Estimated Depths of Anticipated Water, Oil, Gas or Other Minerals:**

Substance	Formation	Depth (K.B.)
	KB-Uinta Elevation: 5019'	
Oil / Gas	Green River	1282
Oil /Gas	Wasatch	4582
Oil /Gas	Mesaverde	6478
	Estimated TD	9060

An 11" hole will be drilled to approximately 2016 feet. The depth will be determined by the depth that the Birds Nest zone is encountered. The hole will be drilled 400 feet beyond the top of the Birds Nest zone and surface casing will be set.

3. **Pressure Control Equipment: (3000 psi schematic attached)**

A. Type: Eleven (11) inch double gate hydraulic BOP with eleven (11) inch annular preventer on 3,000 psi casinghead, with 3,000 psi choke manifold equipped per the attached diagram. BOPE as specified in *Onshore Oil & Gas Order Number 2.* A PVT, stroke counter and flow sensor will be installed to check for flow and monitor pit volume.

B. Pressure Rating: 3,000 psi BOPE

C. Kelly will be equipped with upper and lower Kelly valves.

D. Testing Procedure: Annular Preventer

At a minimum, the annular preventer will be pressure tested to 50% of the stack rated working pressure for a period of ten (10) minutes or until provisions of the test are met, whichever is longer.

At a minimum, the above pressure test will be performed:

1. When the annular preventer is initially installed;
2. Whenever any seal subject to test pressure is broken;
3. Following related repairs; and
4. At thirty (30) day intervals.

In addition to the above, the annular preventer will be functionally operated at least weekly.

Blow-Out Preventer

At a minimum, the BOP, choke manifold, and related equipment will be pressure tested to the approved working pressure of the BOP stack (if isolated from the surface casing by a test plug) or to 70% of the internal yield strength of the surface casing (if the BOP is not isolated from the casing by a test plug). Pressure will be maintained for a period of at least ten (10) minutes or until the requirements of the test are met, whichever is longer.

At a minimum, the above pressure test will be performed:

1. When the BOP is initially installed;
2. Whenever any seal subject to test pressure is broken;
3. Following related repairs; and
4. At thirty (30) day intervals.

In addition to the above, the pipe and blind rams will be activated each trip, but not more than once each day. All BOP drills and tests will be recorded in the IADC driller's log.

E. Miscellaneous Information:

The blowout preventer and related pressure control equipment will be installed, tested and maintained in compliance with the specifications in and requirements of *Onshore Oil & Gas Order Number 2.*

4. Proposed Casing & Cementing Program:

A. Casing Program: All New

Hole Size	Casing Size	Wt./Ft.	Grade	Joint	Depth Set (MD)
20"	14" O.D.				40' (GL)
11"	8-5/8"	24#	J-55	ST&C	0 – 2,016' (KB) est.
7-7/8"	4-1/2"	11.6#	N-80	LT&C	0 – 9060' (KB)

The surface casing will have guide shoe. Centralize the shoe joint with bowspring centralizers in the middle and top of the joint and the next 16 joints with bowspring

centralizers on every other collar (8 centralizers total). Thread lock guide shoe.

Casing string(s) will be pressure tested to 0.22 psi/foot of casing string length or 1500 psi, whichever is greater (not to exceed 70% of the internal yield strength of the casing), after cementing and prior to drilling out from under the casing shoe.

B. Casing Design Parameters:

Depth (MD)	Casing	Collapse(psi)/SF	Burst (psi)/SF	Tension(mlbs)/SF
40' (GL)	14" OD			
2016' (KB)	8-5/8", 24#/ft, J55, STC	1370/1.52(a)	2950/3.28(b)	244/5.81(c)
9060' (KB)	4-1/2", 11.6#/ft, N-80, LTC	6350/1.35 (d)	7780/1.80 (e)	223/2.47(f)

(a.) based on full evacuation of pipe with 8.6 ppg fluid on annulus
(b.) based on 8.6 ppg gradient with no fluid on annulus
(c.) based on casing string weight in 8.6 ppg mud
(d.) based on full evacuation of pipe with 10.0 ppg fluid on annulus
(e.) based on 9.2 ppg gradient, gas to surface, with no fluid on annulus, no gas gradient
(f.) based on casing string weight in 9.2 ppg mud

PROPOSED CEMENTING PROGRAM

Surface Casing (if well will circulate)-Cemented to surface

CASING	SLURRY	FT. of FILL	CEMENT TYPE	SXS	EXCESS (%)	WEIGHT (ppg)	YIELD (ft^3/sx)
8-5/8"	Lead	1516	Premium cement + 16% gel + 0.25 pps celloflake	138	25%	11.1	3.50
8-5/8"	Tail	500	Premium cement + 2% CaC_2 + 0.25 pps celloflake	138	25%	15.8	1.15

A cement top job is required if cement fallback is greater than 10' below ground level. Top job (weight 15.8 ppg, yield 1.15 ft^3/sx) cement will be premium cement w/ 3% $CaCl_2$.+0.25 pps celloflake. Volume as required

Surface Casing (if well will not circulate) - Cemented to surface

CASING	SLURRY	FT. of FILL	CEMENT TYPE	SXS	EXCESS (%)	WEIGHT (ppg)	YIELD (ft^3/sx)
8-5/8"	Lead	500	Premium cement + 2% $CaCl_2$ + 0.25 pps celloflake	138	25	15.8	1.15
8-5/8"	Top job	As req.	Premium cement + 3% $CaCl_2$ + 0.25 pps celloflake	As Req.		15.8	1.15

Production Casing and Liner - Cemented TD to 300' above base of surface casing

CASING	SLURRY	FT. of FILL	CEMENT TYPE	SXS	EXCESS (%)	WEIGHT (ppg)	YIELD (ft^3/sx)
4-1/2"	Lead	2466	Class "G" + 5% NaCl + 12% Gel + 0.25 pps celloflake + 0.2% antifoam + 0.25% fluid loss + 1% extender	215	25	11.0	3.3
4-1/2"	Tail	4711	50/50 POZ Class G + 2% gel +1% $CaCl_2$ + 0.2% dispersant + 0.2% fluid loss + 0.1% antifoam	890	25	14.3	1.56

Cement volumes for the 4-1/2" Production Casing will be calculated to provide a top of cement to 300' above base of surface casing. Cement volumes are approximate and were calculated under the assumption that a gauge hole will be achieved. Actual cement volumes may vary due to variations in the actual hole size and will be determined by running a caliper log on the drilled hole. Actual cement types may vary due to hole conditions and cement contractor used.

All waiting on cement (WOC) times will be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.

5. Drilling Fluids (mud) Program:

Interval (MD)	Mud Weight	Fluid Loss	Viscosity	Mud Type
0' – 2016' (KB)		No cntrl		Air/mist
2000'-3000' (KB)	8.4-8.6	No cntrl	28-36	Water
3000'-9060' (KB)	8.8-9.8	8 - 10 ml	32-42	Water/Gel

Sufficient mud material(s) to maintain mud properties, control lost circulation and contain a blowout will be available at the well site during drilling operations.

6. Evaluation Program:

Tests: No tests are currently planned.

Coring: No cores are currently planned.

Samples: No sampling is currently planned.

Logging

- Dual Induction – SFL /Gamma Ray/Caliper/SP/TDLT/CNL/ML
  TD to Base Surface Casing
- Cement Bond Log / Gamma Ray:
  TD to Base of Surface Casing or Top of Cement if below Base of Surface Casing

Stimulation: A stimulation or frac treatment will be designed for completion of this well based on openhole log analysis. The drill site, as approved, will be sufficient size to accommodate all completion activities.

7. Abnormal Conditions:

No abnormal temperatures or pressures are anticipated. No H_2S has been encountered or known to exist from previous wells drilled to similar depths in the general area.

Maximum anticipated bottom hole pressure equals approximately 4711 psi (calculated at 0.52psi/foot of hole) and maximum anticipated surface pressure equals approximately 2718 psi (anticipated bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot of hole).

8. Anticipated Starting Dates:

- Anticipated Commencement Date- Within one year of APD issue.
- Drilling Days- Approximately 10 days
- Completion Days - Approximately 10 days
- Anticipate location construction within 30 days of permit issue.

9. Variances:

None anticipated

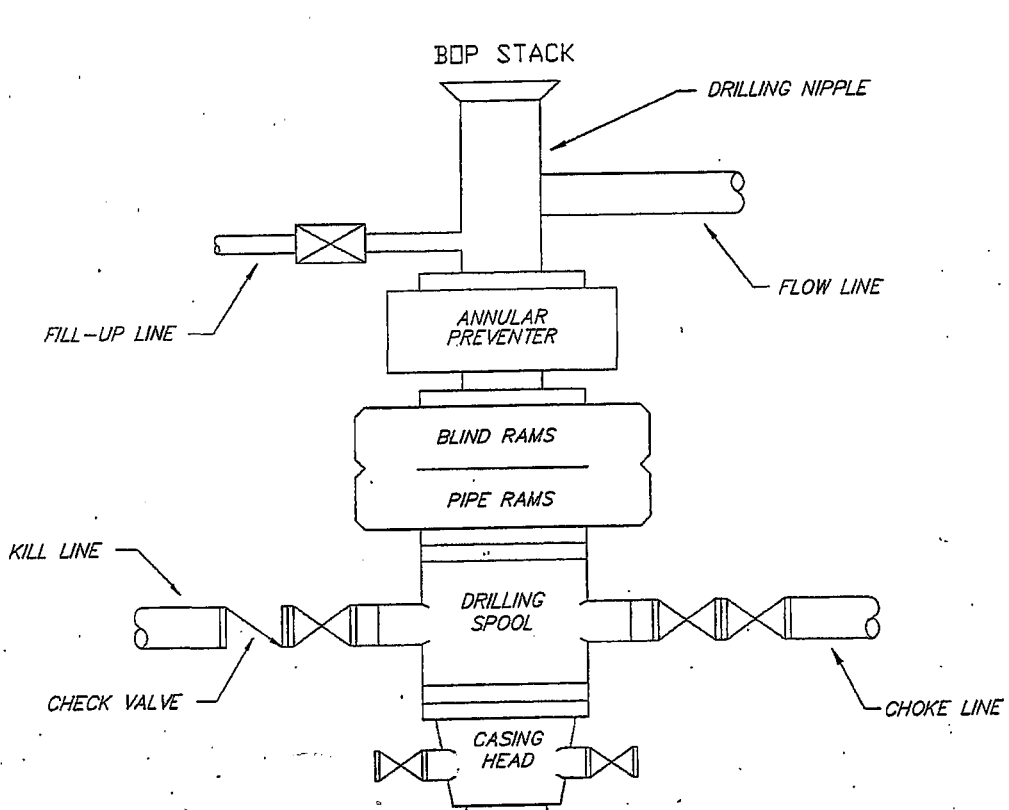
10. Other:

A Cultural Resource Inventory and Paleontology reconnaissance shall be conducted for the well location, access route and pipeline. The reports shall be submitted to the Division of Oil, Gas and Mining and the School and Institutional Trust lands Administration upon their receipt.

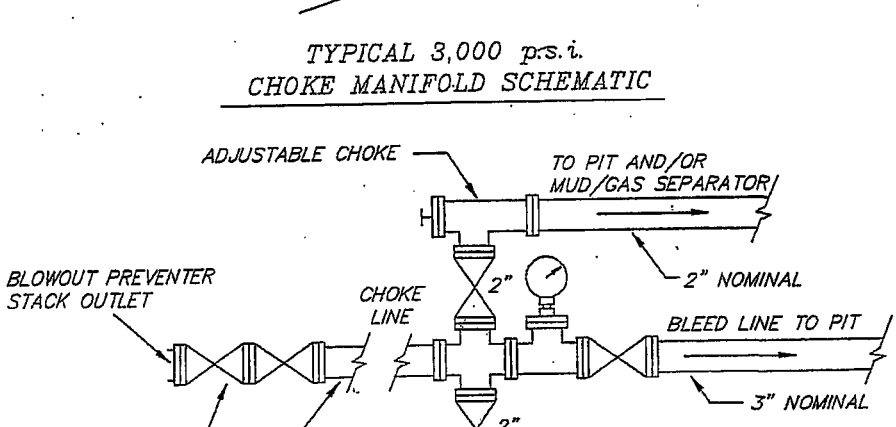
Single Shot directional surveys will be dropped every 2000 feet to monitor hole angle.

ENDURING RESOURCES, LLC

TYPICAL 3,000 p.s.i. BLOWOUT PREVENTER SCHEMATIC



TYPICAL 3,000 p.s.i. CHOKE MANIFOLD SCHEMATIC



ENDURING RESOURCES
Bonanza 9-23-24-10
Section 10, T9S, R23E, S.L.B.&M.

FROM THE INTERSECTION OF U.S. HIGHWAY 40 AND 500 EAST STREET IN VERNAL, UTAH PROCEED IN AN EASTERLY THEN SOUTHERLY DIRECTION ALONG U.S. HIGHWAY 40 APPROXIMATELY 3.3 MILES TO THE JUNCTION OF STATE HIGHWAY 45; EXIT RIGHT AND PROCEED IN A SOUTHERLY DIRECTION ALONG STATE HIGHWAY 45 APPROXIMATELY 36 MILES TO THE JUNCTION OF COUNTY B ROAD 3410 (THIS ROAD IS LOCATED APPROXIMATELY 0.5 MILES SOUTH OF BONANZA, UTAH). EXIT RIGHT AND PROCEED IN A WESTERLY DIRECTION ALONG COUNTY B ROAD 3410 APPROXIMATELY 4.4 MILES TO THE JUNCTION OF COUNTY B ROAD 3420. CONTINUE ALONG COUNTY B ROAD 3410 IN A NORTHWESTERLY DIRECTION APPROXIMATELY 4.0 MILES TO THE INTERSECTION OF A CLASS D COUNTY ROAD. EXIT RIGHT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.8 MILES TO THE PROPOSED ACCESS ROAD. FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 475 FEET TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 48.6 MILES IN A SOUTHEASTERLY DIRECTION.

Enduring Resources, LLC

Bonanza 9-23-24-10
SESW Sec.10, 9S-23E
Uintah County, Utah
Lease: Fee

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

FROM THE INTERSECTION OF U.S. HIGHWAY 40 AND 500 EAST STREET IN VERNAL, UTAH PROCEED IN AN EASTERLY THEN SOUTHERLY DIRECTION ALONG U.S. HIGHWAY 40 APPROXIMATELY 3.3 MILES TO THE JUNCTION OF STATE HIGHWAY 45; EXIT RIGHT AND PROCEED IN A SOUTHERLY DIRECTION ALONG STATE HIGHWAY 45 APPROXIMATELY 36 MILES TO THE JUNCTION OF COUNTY B ROAD 3410 (THIS ROAD IS LOCATED APPROXIMATELY 0.5 MILES SOUTH OF BONANZA, UTAH). EXIT RIGHT AND PROCEED IN A WESTERLY DIRECTION ALONG COUNTY B ROAD 3410 APPROXIMATELY 4.4 MILES TO THE JUNCTION OF COUNTY B ROAD 3420. CONTINUE ALONG COUNTY B ROAD 3410 IN A NORTHWESTERLY DIRECTION APPROXIMATELY 4.0 MILES TO THE INTERSECTION OF A CLASS D COUNTY ROAD. EXIT RIGHT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.8 MILES TO THE PROPOSED ACCESS ROAD. FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 475 FEET TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 48.6 MILES IN A SOUTHEASTERLY DIRECTION.

2. Planned Access Roads:

The proposed access road will be approximately 475 feet of new construction all on-lease. This lease is on fee lands; right of way has been received. Access into the lease will be an existing Class D road.

The proposed access road will be utilized to transport personnel, equipment and supplies to and from the proposed well site during drilling, completion and production operations. The road will be utilized year round.

The access road will be crowned 2% to 3%, ditched and constructed with a running surface of 18 feet and a maximum disturbed width of 30 feet right-of-way. Maximum grade of road is 5% or less. Graveling or capping the roadbed will be performed as necessary to provide a well constructed, safe road. No fence crossings, culverts, turnouts, cattle guards or major cuts and fills are required. Prior to construction or upgrading, the proposed road shall be cleared of any snow and allowed to dry completely.

Surface disturbance and vehicular traffic will be limited to the proposed location and proposed access route. Any additional area needed will be approved in advance. All construction shall be in conformance with the standards outlined in the BLM and Forest Service publication: *Surface Operating Standards for Oil and Gas Exploration and Development. 1989.*

The road surface and shoulders will be kept in a safe usable condition and will be maintained in accordance with the original construction standards. All drainage ditches will be kept clear and free flowing and will be maintained according to original construction standards. The access road surface will be kept free of trash during operations. All traffic will be confined to the approved disturbed surface. Road drainage crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the road bed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided. When snow is removed from the road during the winter months, the snow shall be pushed outside of the borrow ditches and the turnouts kept clear so that snowmelt will be channeled away from the road.

3. **Location of Existing Wells within a One-Mile radius (See "Topo" Map "C" attached):**

The following wells are wells located within a one (1) mile radius of the proposed location.

a. None: Water Wells:

b. (1): Injection Wells:
   1. NBE 12SWD-10-9-23, NWSW Sec 10

c. (12): Producing Wells:
   1. NBE 5ML-10-9-23, SWNW Sec 10
   2. NBE12ML-10-9-23, NWSW Sec 10
   3. NBE 3ML-10-9-23, NENW Sec 10
   4. NBE16ML-10-9-23, SWNW Sec 10
   5. NBE 6ML-10-9-23, SENW Sec 10
   6. NBE 7ML-10-9-23, SWNE Sec 10
   7. NBE 8ML-10-9-23, SENE Sec 10
   8. NBE11ML-10-9-23, NESW Sec 10
   9. NBE 10 ML-10-9-23, NWSE Sec 10
   10. NBE 9ML10-9-23, NESE, Sec 10
   11. NBE15ML-10-9-23, SWSE Sec 10
   12. NBE16ML-10-9-23, SESE Sec 10

d. (7): Drilling Wells:
   1. E. Chapita Federal 8-16, SWNE Sec 16
   2. E. Chapita Federal 6-16, SESE Sec 16
   3. Hatch 923-15N, SESW Sec 15
   4. Hatch 923-15J, NWSE Sec 15
   5. Hatch 923-15H, SENE Sec 15
   6. Hatch 923-14C, NENW Sec 14
   7. Hatch 923-14E, SWNW Sec 14

e. None: Shut-in Wells:

f. None: Temporarily Abandoned Wells:

g. None: Disposal Wells:

h. (6): Abandoned Wells:
1. Federal 263-1, NWSE Sec 10
2. Hatch Federal 1, NWNW Sec 15
3. Chapita Federal 15-2, SESE Sec 15
4. CWU 1, Sec 16, SENW Sec 16
5. CWU 29, NWSE Sec 16
6. Chapita Federal 14-4,SENW Sec 14

i. None: Dry Holes:

j. None: Observation Wells:

k. (11): Pending (staked) Wells:
1. There are eleven other wells staked w/i one mile of this well.

4. Location of Existing and/or Proposed Facilities:

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain fluids (i.e. production tanks, produced water tanks and/or heater treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank and be independent of the back cut.

All permanent (on site for six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earth tone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Inter-Agency Committee

All facilities will be painted within 6 months of installation. The color shall be designated by DOG&M and SITLA. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

Gas Gathering Pipeline for this well will be:

520'	Surface Pipeline	On-Lease	Fee – American Gilsonite

If the well is capable of economic production, a surface gas gathering line and related equipment shall be installed for year around usage. Approximately 520 feet of 4" or less surface gas gathering pipeline shall be laid to minimize surface disturbance.

The proposed pipeline will begin at the well site, be laid on the surface and tie into an existing surface pipeline. This lease is on fee lands; right of way has been applied for and copy will be provided when received.

The meter run will be housed. The gas gathering line will be buried or anchored down from the wellhead to the meter.

Upon plugging and abandonment, the gas gathering line will be removed and the disturbed area will be re-contoured and restored as near as practical to the original condition. If necessary, re-seeding operations will be performed after completion of other reclamation operations.

5. Location and Type of Water Supply:

Water will be purchased from American Gilsonite from the following source: Water Right No. 49-222, Application/Claim No. A29909/a4958, Certificate No. 9915 ("AGC Water Right"). The AGC Water Right consists of nineteen underground water wells located in Sec.2, T10S, R24E, SLBM, piped to and stored in a cistern located in Section 25, T9S, R24E.

Water will be hauled to the location over the roads marked on "Topo" Maps "A" and "B."

No water well is to be drilled on this lease.

6. Source of Construction Materials:

Surface and subsoil materials in the immediate area will be utilized for location and access road construction.

Any gravel will be obtained from a commercial source; however, gravel sized rock debris associated with location and access road construction may be used as access road surfacing material.

7. Methods of Handling Waste Materials:

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, contained in the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit will be constructed on the location and will not be located within natural drainage, where a flood hazard exits or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, brake or allow discharge of liquids.

The reserve pit will be lined with ¼ felt and a minimum of 16 mm plastic with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

A chemical portable toilet will be furnished with the drilling rig. The toilet will be replaced periodically utilizing a licensed contractor to transport by truck the portable chemical toilet so that its contents can be delivered to the Vernal Wastewater Treatment Facility in accordance with state and county regulations.

Garbage, trash and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported or disposed of in association with the drilling, completion or testing of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported or disposed of in association with the drilling, completion or testing of this well.

Produced oil will be stored in an oil tank and then hauled by truck to a crude purchaser facility. Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to an approved disposal site.

8. Ancillary Facilities:

During drilling operations, approximately 20 days, the site will be a manned camp. Three or four additional trailers will be on location to serve as the crews' housing and eating facilities. These will be located on the perimeter of the pad site within the topsoil stockpiles. Refer to Sheet 3.

9. Well Site Layout: (Refer to Sheets #2, #3, and #4)

The attached Location Layout Diagrams describe drill pad cross-sections, cuts and fills and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s) and surface material stockpiles(s).

Please see the attached diagram for rig orientation and access roads.

The top soil will be windrowed rather than piled. It will be re-seeded and track walked at the time the location is constructed. Seeding will be determined during the onsite.

The top soil removed from the pit area will be stored separately and will not be reseeded until the pit is reclaimed.

All pits shall be fence to the following minimum standards:

a. 39 inch net wire shall be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.
b. The net wire shall be no more than 2 inches above the ground. The barbed wire shall be 3 inches over the new wire. Total height of the fence shall be at least 42 inches.

c. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.

d. Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two fence posts shall be no greater than 16 feet.
e. All wire shall be stretched by, using a stretching device, before it is attached to corner posts.
f. The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.
g. Location size may change prior to drilling the well due to the current rig availability. If the proposed location is not large enough to accommodate drilling, the location will be re-surveyed and a Form 9 will be submitted.

10. <u>Plans for Surface Reclamation:</u>

Producing Location:

a. Immediately upon well completion the location and surrounding area will be cleared of all unused tubing, equipment, materials, trash and debris not required for production.
b. Immediately upon well completion any hydrocarbons in the pit shall be removed in accordance with 40CFR 3162.7.
c. Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.
d. The reserve pit and that portion of the location not needed for production facilities/operations will be re-contoured to the approximated natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.
e. To prevent surface water(s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface 3 feet above surrounding surface to allow the reclaimed pit area to drain effectively.
f. Upon completion of back filling, leveling and re-contouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

Dry Hole/Abandoned Location:

i. Abandoned well sites, roads and other disturbed areas will be restored as nearly as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions and re-establishment of vegetation as specified.
ii. All disturbed surfaces will be re-contoured to the approximated natural contours with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. If necessary, re-seeding operations will be performed after completion of other reclamation operations.

Seed Mixture for Windrowed Top Soil Will Include:

To be provided by the American Gilsonite.

11. Surface Ownership: Location, Access and Pipeline Route:

Wellsite: Fee, American Gilsonite
Access: Fee, American Gilsonite
Pipeline: Fee, American Gilsonite

12. Other Information

On-site Inspection for Location, Access and Pipeline Route:

The on-site will be scheduled by DOG&M.

Special Conditions of Approval:

- Tanks and Production Equipment shall be painted pursuant American Gilsonite and DOG&M.
- Surface Gathering Pipeline shall be 6" or less

Archeology:

a. A Cultural Resource Inventory Report is pending and to be prepared by Montgomery Archaeological Consultants.

Paleontology:

a. A Paleontology Reconnaissance Report is pending and to be prepared by Intermountain Paleo-Consulting.

If, during operations, any archaeological or historical sites, or any objects of antiquity (subject to the Antiquities Act of June 8, 1906) are discovered, all operations which would affect such sites will be suspended and the discovery reported promptly to the surface management agency.

13. Lessee's or Operator's Representatives:

Representatives:

Alvin R. (Al) Arlian
Landman – Regulatory Specialist
Enduring Resources, LLC
475 17th Street, Suite 1500
Denver, Colorado 80202
Office Tel: 303-350-5114
Fax Tel: 303-573-0461
aarlian@enduringresources.com

Paul Brandt
Reservoir Engineering Manager
Enduring Resources, LLC
475 17th Street, Suite 1500
Denver, Colorado 80202
Office Tel: 303-573-5113
Fax Tel: 303-573-0461
pbrandt@enduringresources.com

RIGHT-OF-WAY and DAMAGE AGREEMENT

THIS AGREEMENT is made and entered into by and between, AMERICAN GILSONITE COMPANY, (hereinafter referred to as "Grantor") and ENDURING RESOURCES, LLC (hereinafter referred to as "Grantee") effective July 1, 2006

WHEREAS, Grantee desires to enter onto and cross Grantor's property located in the SESW of Section 10-9S-23E (hereinafter referred to as the "Lands") for the purpose of drilling one exploratory oil and/or gas well, Bonanza 9-23-24-10 (the "Well"), Uintah County, Utah (hereinafter referred to as the "Drillsite").

NOW THEREFORE, for and in consideration of the mutual promises and covenants herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

I. Grantee shall pay Grantor the sum of $1,000.00 up front payment for damages to surface of the Lands for road access to the Well. Within sixty days of completion of the Well either as a producer or a plugged and abandoned well, Grantee shall survey the new access road Grantor for any additional damage that may have occurred during drilling and completion operations. Compensation will be on a $6,000.00 per acre cost for any damages exceeding 4.0 acres and such compensation, if due, will be paid within thirty (30) days of the surveyor's report being released. Grantee shall utilize existing access routes to the maximum extent feasible, so as to minimize surface disturbances for access to facilities.

II. Grantee and their assigns or agents shall have the right to use a reasonable amount of access road across the Lands and shall have the right to move derricks, drilling tools, vehicles, and all other machinery and equipment necessary or incident to the re-drilling, drilling, testing completion, operation of the wells. Such activity shall be restricted to existing public roads or access roads covered by this agreement. Any roads or surface facilities may be relocated at Grantor's expense if needed due to gilsonite mining or processing in the future.

III. This Agreement and the rights granted herein are effective and shall continue in full force and effect so long as operations are conducted on the Well. Upon execution of this Agreement, all payments due hereunder shall be paid concurrently. Operations are defined under terms of the oil and gas lease with Grantor, and under the Rules and Regulations defined by the State of Utah.

IV. Cattle guards and gates will be constructed, if requested by Grantor, at all places where the openings go through the existing fences and gates will be kept closed at all times except when opened for passage of traffic. Also, gates shall be installed to limit access to producing wells on roads constructed by Grantee if by mutual agreement between Grantee and Grantor.

V. If there is any fill used for roads constructed across any drainage, then culverts will be used for the free flow of water through said drainage.

VI. If the access road departs from existing established roadways and new construction is required, topsoil will be segregated and stockpiled for replacement during reclamation activities.

VII. It is understood that nay road constructed across the said Lands shall not exceed 30 feet in total width, including the total disturbed area between the outside of each berm, without the prior approval of Grantor.

VIII. Upon completion of any drilled pursuant hereto Well as a dry hole and the subsequent abandonment thereof, and at the request of the Grantor, and drill pads and newly constructed road will be restored and seeded within 180 days to the condition it was in prior to commencement of operations insofar as reasonably possible. Any preexisting roads, and the improvements thereto, which are constructed by Grantee, shall be left in a good and useable condition for the continued use by Grantor. Reclaimed areas will be reseeded with a wildlife mixture approved by the Utah Division of Wildlife.

IX. In the event that the Well is completed as a producer of oil and/or gas, Grantee shall build and maintain a permanent access road in conformance with the already established county road standards for producing oil and/or gas wells including any variances granted by the county by existing roads to the Drillsite. Disturbed areas not used for production will be re-graded and seeded with an approved wildlife seed mix within 90 days unless prohibited by weather.

X. Upon completion of the Well(s) as a well capable of oil and/or gas production, this Agreement shall continue in full force and effect and Grantee shall pay in advance to Grantor an annual access rental of $1,000 per roadway 30-foot width, roadway for each well, on or before June 1st of each year thereafter until the subject well is plugged and abandoned and operations cease thereon.

XI. It is expressly understood that the settlement amounts in paragraph I are only for construction of a road and drilling location and it is not a settlement for any damages to contiguous property, personal property of the Grantor or a release of any personal injuries that may be sustained by reason of the operations carried on by Grantee or its agents.

XII. This Agreement does not cover pipeline easements and Grantee acknowledges that it must secure a separate agreement prior to laying pipeline related to production of gas or oil on Grantor's lands.

XIII. This Agreement shall not be assigned, nor the rights of Grantee hereunder transferred in any manner without the prior written consent of Grantor, which consent shall not be unreasonably withheld.

XIV. Grantee shall comply at its own expense with the Workman's Compensation Law of the State of Utah and shall maintain such insurance throughout the duration of this Agreement, and shall furnish Grantor prior to beginning work on the Lands evidence of such insurance and at each policy period thereafter renewal evidence that such insurance is being maintained. Grantee, with respect to its operation in connection with this Agreement, shall also purchase or provide for (1) comprehensive general public liability insurance with a combined single limit not less than One Million Dollars ($1,000,000) for bodily injury and property damage; and (ii) automobile insurance with a combined single limit of not less than One Million Dollars ($1,000,000) for bodily injury or property damage. At

XIX. All operations of Grantee hereunder which involve drilling for and producing of oil and gas, or both, or the cessation, or abandonment, of its operations shall be conducted in a good and workmanlike manner and in accordance with standard oil field practices and in accordance with all applicable federal, state and local statutes and regulations including specifically, but not by way of limitation, such laws and regulations governing the operation, maintenance and reclamation of well sites, pipelines, tank batteries, and other related facilities as may be utilized by Grantee and its operations hereunder. Grantee shall further adhere to and abide by all federal, state and local environment statutes and regulations addressing air, water, and solid waste pollution and the handling storage, storage use and disposal of hazardous substances as prescribed in the Comprehensive Environmental Response, Compensation and Liability Act of 1986, 42 U.S.C. & 9601, et seq. (CERCLA). Grantee shall provide Grantor with copies of all applications for environmental laws, governmental requests for any information pertaining to environmental issues relating to the Land or products produced therefrom or Grantee's use thereof, copies of any responses from Grantee's to said requests, and any environmental investigations, reports, or studies involving the Land or products produced therefrom or the use thereof by Grantee which from time to time, may be obtained from Grantee.

XX. Grantee also agrees to abide by the laws of regulations of the State of Utah designed to protect gilsonite deposits, including but not limited to those specific rules set forth in the General Rules and Regulations of the Utah Board of Oil, Gas and Mining, as amended, pertaining to such matters.

XXI. The provisions hereof shall be considered as covenants running with the Land during the life of the Agreement and all modifications thereof, and any assignment of the Agreement shall be subject to the provisions thereof.

XXII. This Agreement shall not be terminated in whole or in part, nor Grantee held liable for damages, because of a temporary cessation of production of drilling operations due to breakdown of equipment or due to the repairing of a well or wells or because of failure to comply with any of the express provisions or implied covenants of this Agreement if such failure is the result of the exercise of governmental authority, war, armed hostilities, act of God, strike, civil disturbance, fire, explosion, flood or any other cause, including lack of market, beyond the control of Grantee.

XXIII. Any controversy or claim, whether based in contract, tort or otherwise arising in any way out of, relating to on in connection with this Agreement (a "Dispute") shall be finally settled by arbitration conducted expeditiously in accordance with the Commercial Arbitration Rules (the "Rules") of the American Arbitration Association (the "AAA"). In the event of a conflict between this Article and the Rules, this Article shall govern. The attorney/client and work product privileges will be honored in the arbitration as thought the case were being determined in a Utah state court. The arbitration shall be conducted before one independent and impartial arbitrator selected by the AAA pursuant to the Rules. The arbitration shall be governed by the United States Arbitration Act, 9 U.S.C. 1-16, to the exclusion of any provision of Utah law inconsistent therewith and which would produce a different result, and judgment upon the award rendered by the

arbitrator may be entered by any court having jurisdiction thereof. The place of arbitration shall be Salt Lake City, Utah, and the cost of the arbitration proceeding shall be borne equally by the parties to this agreement and each party shall bear its own attorney's fees, and other expenses, provided that the arbitrator may award attorney fees, filing fees, and costs to the prevailing party as the arbitrator deems reasonable and fair. The arbitrators shall determine the claims of the parties and render their final award in accordance with the substantive law of the State of Utah exclusive of its conflict of law rules. The limitations of any actions will be determined under Utah law. The arbitrator shall permit and facilitate such discovery as the arbitrator determines is appropriate in the circumstances, taking into account the needs of the parties and the desirability of making discovery expeditious and cost-effective. The arbitrator shall actively manage the proceedings as the arbitrator deems best so as to make the proceedings fair, expeditious, economical, and less burdensome than litigation. The procedures specified in this section shall be the exclusive means of resolution of Disputes between the parties, provided that either party may seek injunctive action before a court of competent jurisdiction to prevent the occurrence of irreparable harm pending resolution of a Dispute pursuant to the provisions of this section.

XXIV. This agreement constitutes the entire Agreement between the parties hereto as to the subject matters herein set forth and supersedes all prior written or oral agreements relative thereto. No change, modification, alteration or amendment to this Agreement shall be binding upon the parties hereto expect as specifically expressed in writing and signed by each party agreeing to be bound thereby.

AMERICAN GILSONITE COMPANY, Grantor

By: _____
Ted Stevens, General Counsel

ENDURING RESOURCES, LLC, Grantee

By: _____
Alex Campbell, Vice President

Grantor's request, Grantee shall furnish Grantor with a certificate or certificates of insurance secured and maintained hereunder and Grantor shall be an additional insured thereon.

XV. In the event any person or entity (including Grantor) suffers a loss of any kind or character, or death or injury, (1) as a result of a breach of this Agreement by Grantee, or its agents, contractors, or employees, or (2) as a result of Grantee or its agents, contractors or employees performing on the Drillsite or elsewhere, any action, directly or indirectly, in furtherance of a right hereunder, or (3) from any cause whatsoever while being on the Lands and the Drillsite to conduct any work or service for Grantee shall reimburse, indemnify, defend and hold harmless Grantor for any and all losses, costs, claims, liability, litigation, demands, damages and expenses (including all attorney fees) of every kind or character which Grantor may suffer or be subject to as a result of said loss or injury whether or not such losses, costs, claims, liabilities, litigation, demands, damages, and expenses (including all attorney fees) result from the condition of Grantor's premises or facilities, unless through the sole negligence of Grantor or its agents.

XVI. Grantee shall provide Grantor with not less than forty-eight (48) hours advance notice, either by phone or in person, of Grantee's intent to enter upon the Land for the purpose of commencing operations thereon. Grantee shall conduct its operations in such a manner as to use no more Land than is reasonably necessary and shall use all reasonable efforts not to interfere with the use of the Land by any grazing permitees. All drilling fluid pits shall be fenced within ten days of end of drilling each Well as a producer or dry hole and then the pits will be reclaimed and reseeded within 180 days of the completion of the well as a producer or a dry hole. Surface structures shall be fenced, if they represent a potential hazard to livestock, by mutual agreement between Grantor and Grantee. The type of fencing to be mutually agreed upon by Grantor and Grantee. Grantee will have ten days to effect repairs or problems with fences when notified by e-mail or in writing by Grantee. Grantor can request an extension of the closure of pits beyond the 180 days from the completion of each Well if closing the pits represents a potential hazard or closing the pits at that time will not comply with the State of Utah's reclamation requirements. An extension will not be unreasonably withheld.

XVII. Grantee shall have the right at any time, and from time to time, to remove any or all property, fixtures, equipment and materials, placed by Grantee on the Land, including the right to draw and remove casing. Within 90 days after plugging of a Well this agreement will expire and Grantee shall remove all remaining property, fixtures, equipment and materials that were placed by Grantee on the Land. Such removal shall be accomplished at Grantee's sole cost, risk and expense. If such items are not removed within 90 days, Grantor shall have the right to remove those items from the Land and bill the associated cost for such removal to Grantee.

XVIII. This agreement restricts the Grantee's use of Grantor's lands to the sole purpose of exploration and production of oil and/or gas at this specific site. It does not grant Grantee, its contractors, or its agents the right to use the Grantor's property for any other purpose.

PIPELINE AGREEMENT

State of UTAH
County of UINTAH

For and in consideration of one thousand dollars ($1,000.00) in hand paid, the receipt and sufficiency of which is hereby acknowledged, the undersigned (hereinafter called GRANTOR), does hereby GRANT, BARGAIN, SELL AND CONVEY to Enduring Resources, LLC and assigns (hereinafter called GRANTEE), a right-of-way and easement to construct, maintain, operate, repair, alter, replace and remove pipelines and appurtenant facilities which include above and below ground valves, meters wire leads, cathodic protection equipment and markers, across, under and upon the lands of GRANTOR in the County of UINTAH, State of Utah to wit:

Township 9 South, Range 23 East
Section 10: SE/4SW/4

There is included in this grant the right, from time to time, to lay, construct, maintain, operate, alter, repair, remove, change the size of, and replace one or more additional lines of pipe approximately parallel with the first pipeline laid by GRANTEE hereunder and for this pipeline right-of-way and any such additional line so laid the GRANTEE shall pay the GRANTOR a sum equivalent to Six and no/100's Dollars ($6.00) per lineal rod of such additional line or such proportionate part hereof as GRANTOR's interest in said lands bears to the entire fee to be paid after the completion of the construction of such additional line.

The GRANTEE shall have all of the rights and benefits necessary or convenient for the full enjoyment or use of the rights herein granted, including, but without limiting the same to the free right of ingress to and egress over and across said lands to and from said right-of-way and easement, the right to use all roads over and across said lands, and the right from time to time to cut all trees and undergrowth and remove other obstructions that may injure, endanger or interfere with the use of said pipeline. The GRANTEE shall have the right to assign this grant in whole or in part.

TO HAVE AND TO HOLD TO GRANTEE, its successors and assigns, so long as the rights and easements herein granted, or any one of them shall be used by, or useful to, GRANTEE for the purposes herein granted, with ingress to and egress from the premises for the purpose of constructing, inspecting, repairing, maintaining, replacing and removing the property of GRANTEE warrant and forever defend all and singular said premises unto the GRANTEE, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

The GRANTEE agrees to pay for any physical damage to fences or other structural improvements located outside the above described right-of-way and easement which are caused by construction, maintenance, operation, repairing, alteration, replacement or removal of said pipelines and appurtenant facilities. Furthermore, GRANTEE shall

compensate GRANTOR for damages which may be occasioned upon said right-of-way during the maintenance of said pipeline after construction is completed. The said GRANTOR has a right to fully use and enjoy said premises except as same may be necessary for the purposes herein granted. No failure to comply with any covenant on the part of GRANTEE shall be construed as a breach of this Agreement unless and until written notice has first been given to GRANTEE that GRANTOR believes GRANTEE has failed to comply with such covenant, setting out the grounds therefore, and GRANTEE has then failed to correct such failure within thirty (30) days after receipt of such notice or has failed to correct such failure within thirty (30) days after final determination, by agreement or by litigation in a court of competent jurisdiction, that a breach, in fact, exists.

It is agreed that this grant covers all the agreements between the parties and that no representation or statements, verbal or written, have been made notifying, adding to, or changing the terms of this Agreement.

IN TESTIMONY WHEREOF, the GRANTORS herein have executed this conveyance this _____ day of July, 2007.

GRANTOR:
AMERICAN GILSONITE COMPANY

By: _____
Ted Stevens, General Counsel

GRANTEE:
ENDURING RESOURCES, LLC

BY: _____
Alex B. Campbell, Vice President

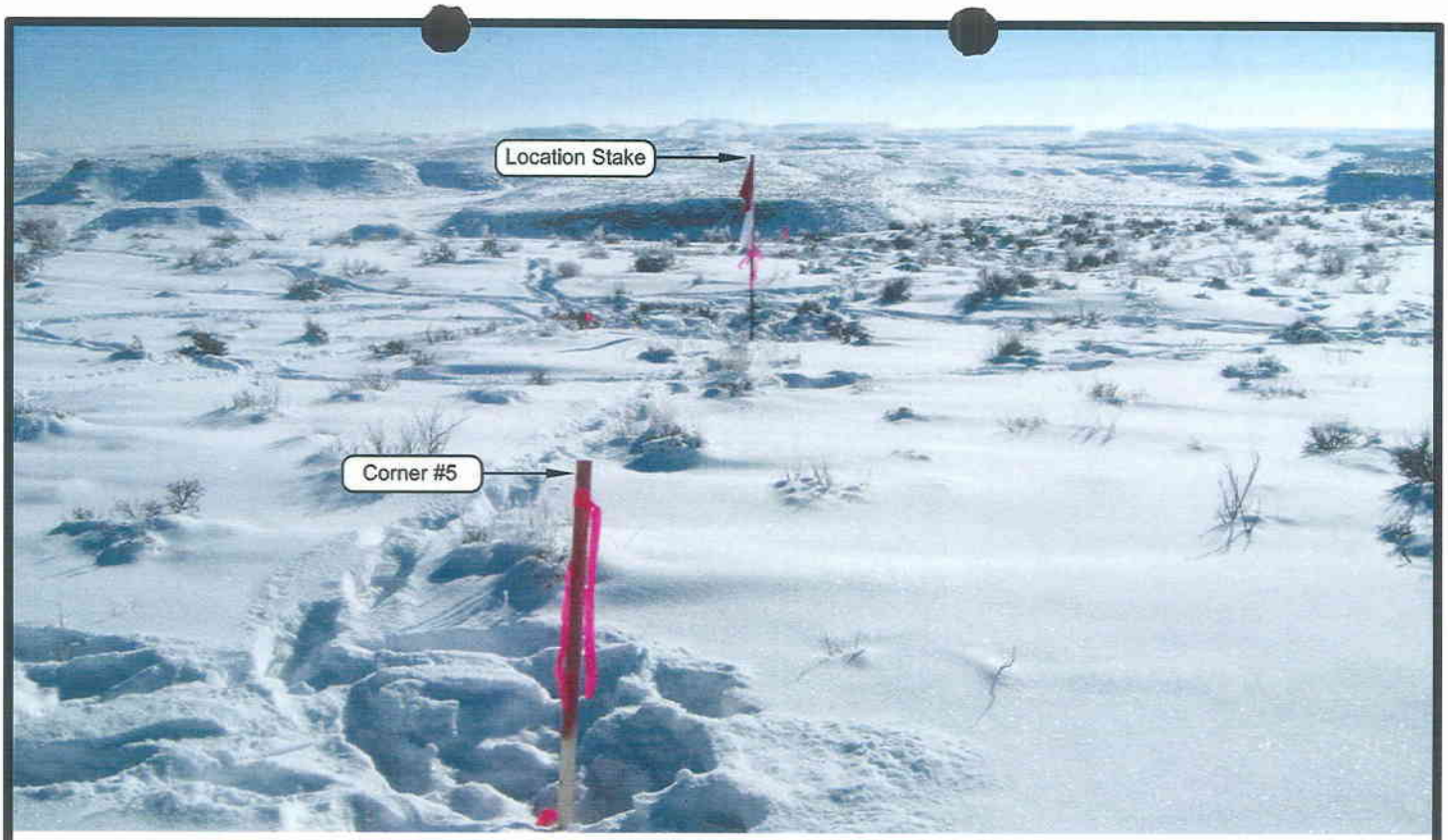


PHOTO VIEW: FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHERLY

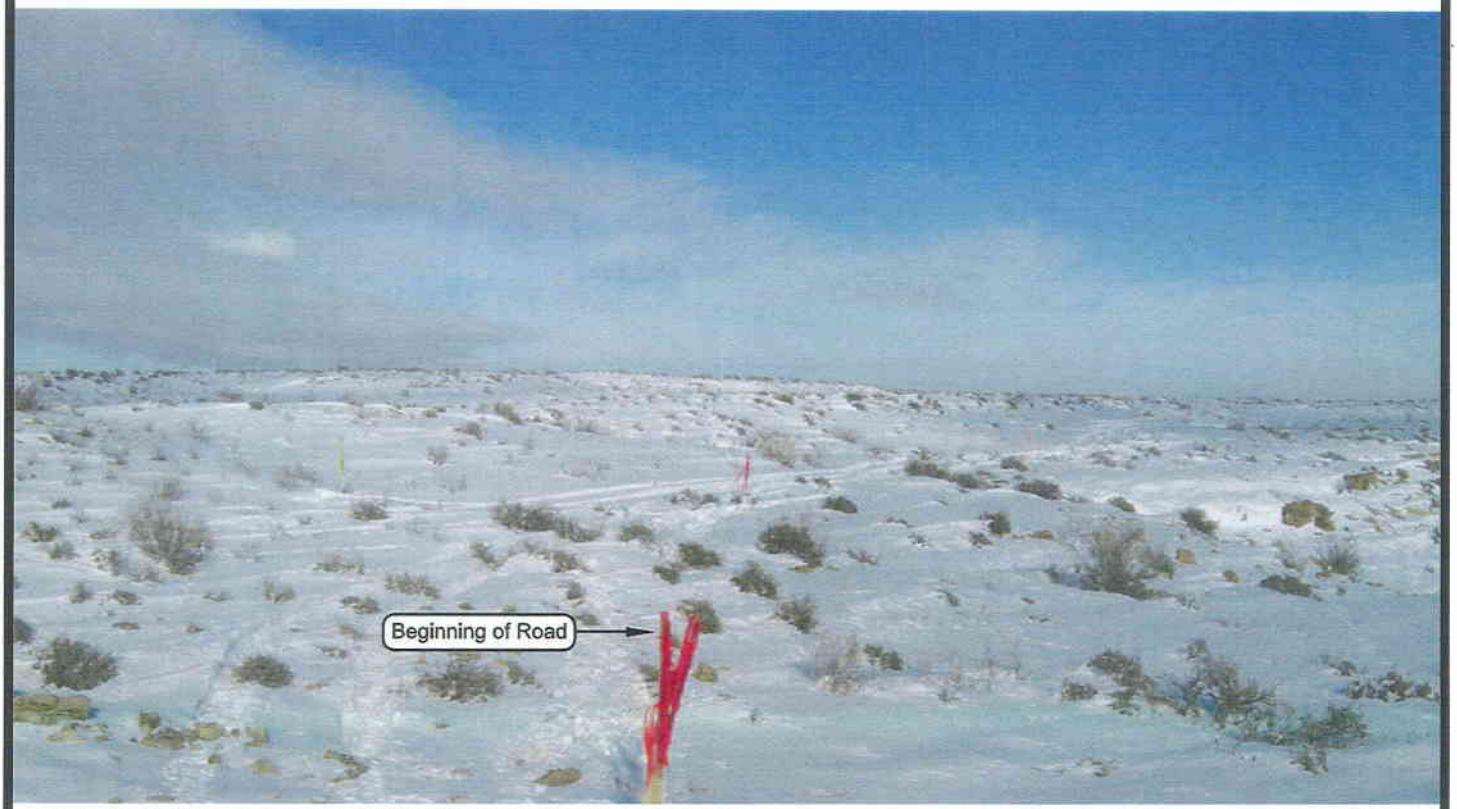


PHOTO VIEW: FROM BEGINNING OF PROPOSED ROAD

CAMERA ANGLE: EASTERLY

ENDURING RESOURCES

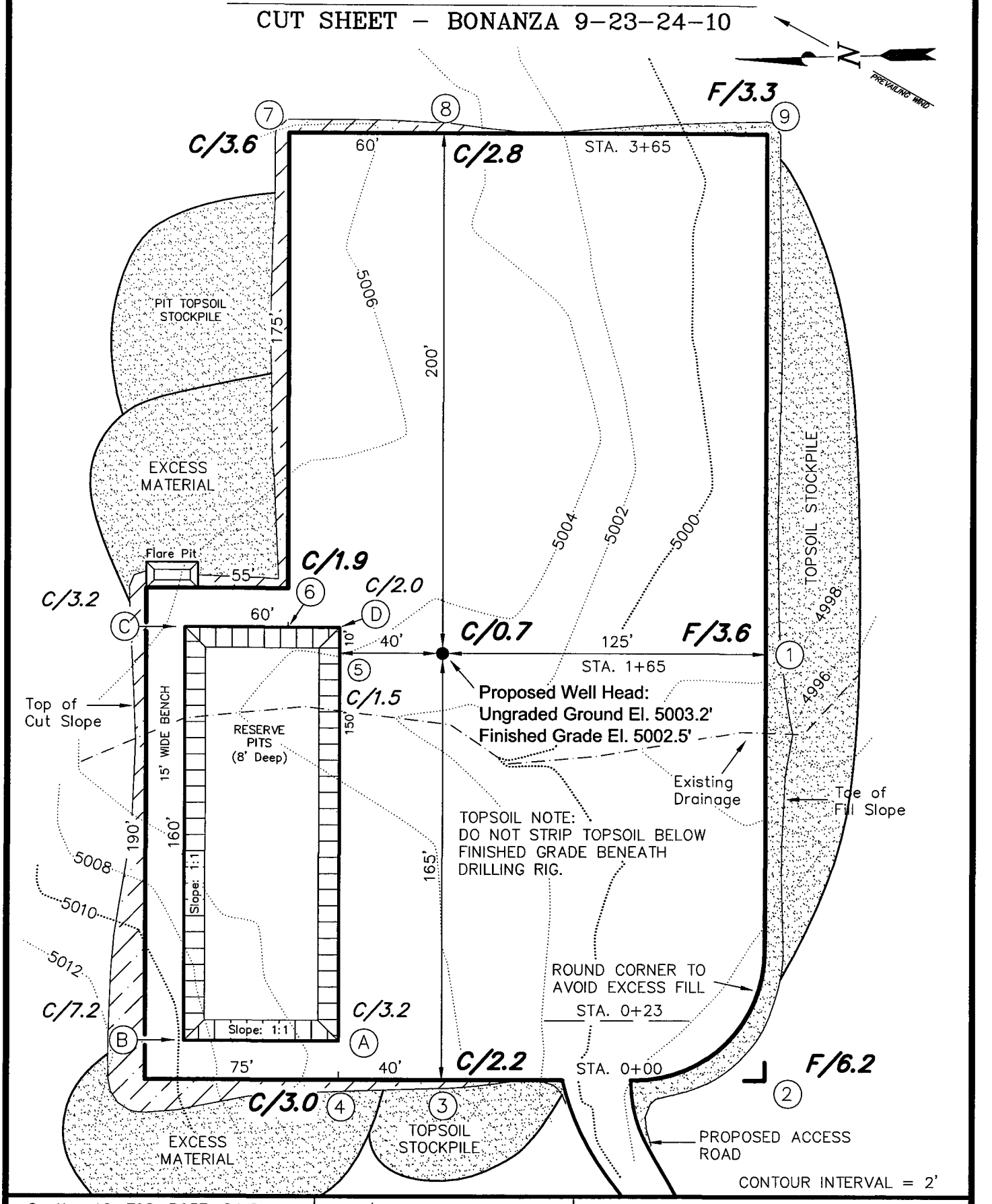
BONANZA 9-23-24-10
SECTION 10, T9S, R23E, S.L.B.&M.

LOCATION PHOTOS		DATE TAKEN: 01-22-07
		DATE DRAWN: 01-31-07
TAKEN BY: A.D.F.	DRAWN BY: J.L.H.	REVISED:

Timberline Land Surveying, Inc.
38 West 100 North Vernal, Utah 84078
(435) 789-1365

ENDURING RESOURCES

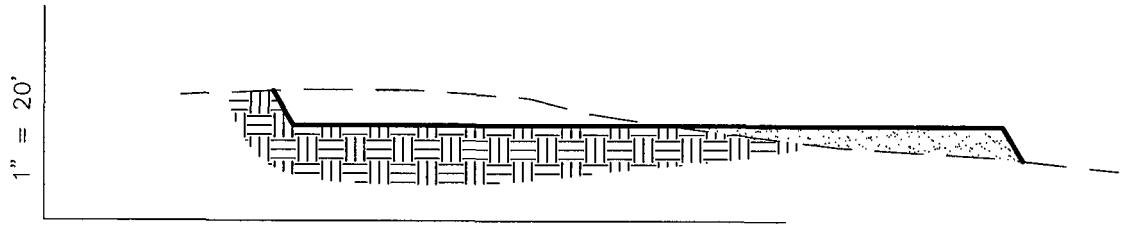
CUT SHEET – BONANZA 9-23-24-10



Section 10, T9S, R23E, S.L.B.&M.	Qtr/Qtr Location: SE SW		Footage Location: 846' FSL & 1990' FWL	
Date Surveyed: 01-22-07	Date Drawn: 02-06-07	Date Last Revision:	Timberline Land Surveying, Inc. (435) 789-1365 38 WEST 100 NORTH VERNAL, UTAH 84078	SHEET 3 OF 10
Surveyed By: A.D.F.	Drawn By: M.W.W.	Scale: 1" = 50'		

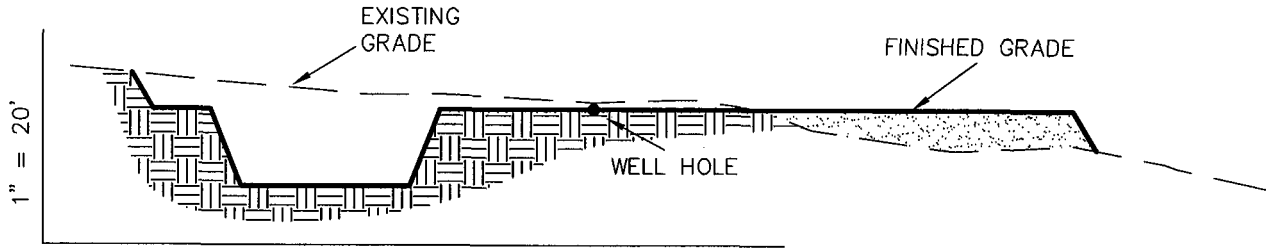
ENDURING RESOURCES

CROSS SECTIONS – BONANZA 9-23-24-10



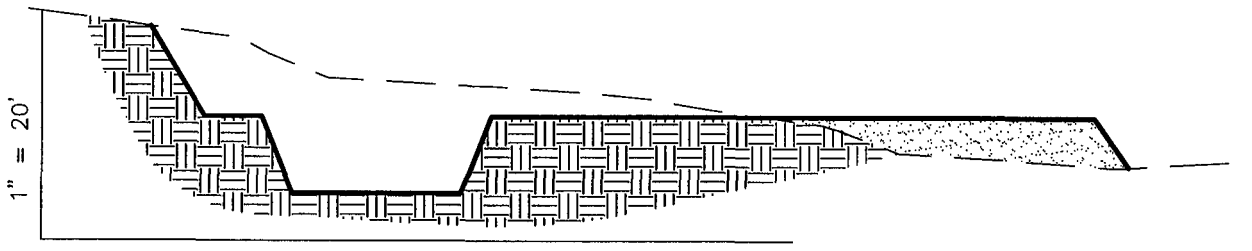
1" = 50'

STA. 3+65



1" = 50'

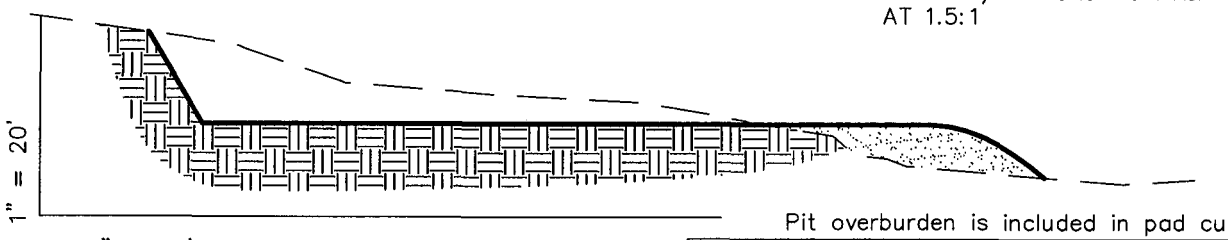
STA. 1+65



1" = 50'

STA. 0+23

NOTE:
UNLESS OTHERWISE NOTED
ALL CUT/FILL SLOPES ARE
AT 1.5:1



1" = 50'

STA. 0+00

Pit overburden is included in pad cut.

ESTIMATED EARTHWORK QUANTITIES
(No shrink or swell adjustments have been used)
(Expressed in Cubic Yards)

ITEM	CUT	FILL	6" TOPSOIL	EXCESS
PAD	3,870	3,870	Topsoil is not included in Pad Cut	0
PIT	2,340	0		2,340
TOTALS	6,210	3,870	1,440	2,340

Excess Material after Pit Rehabilitation = 0 Cu. Yds.

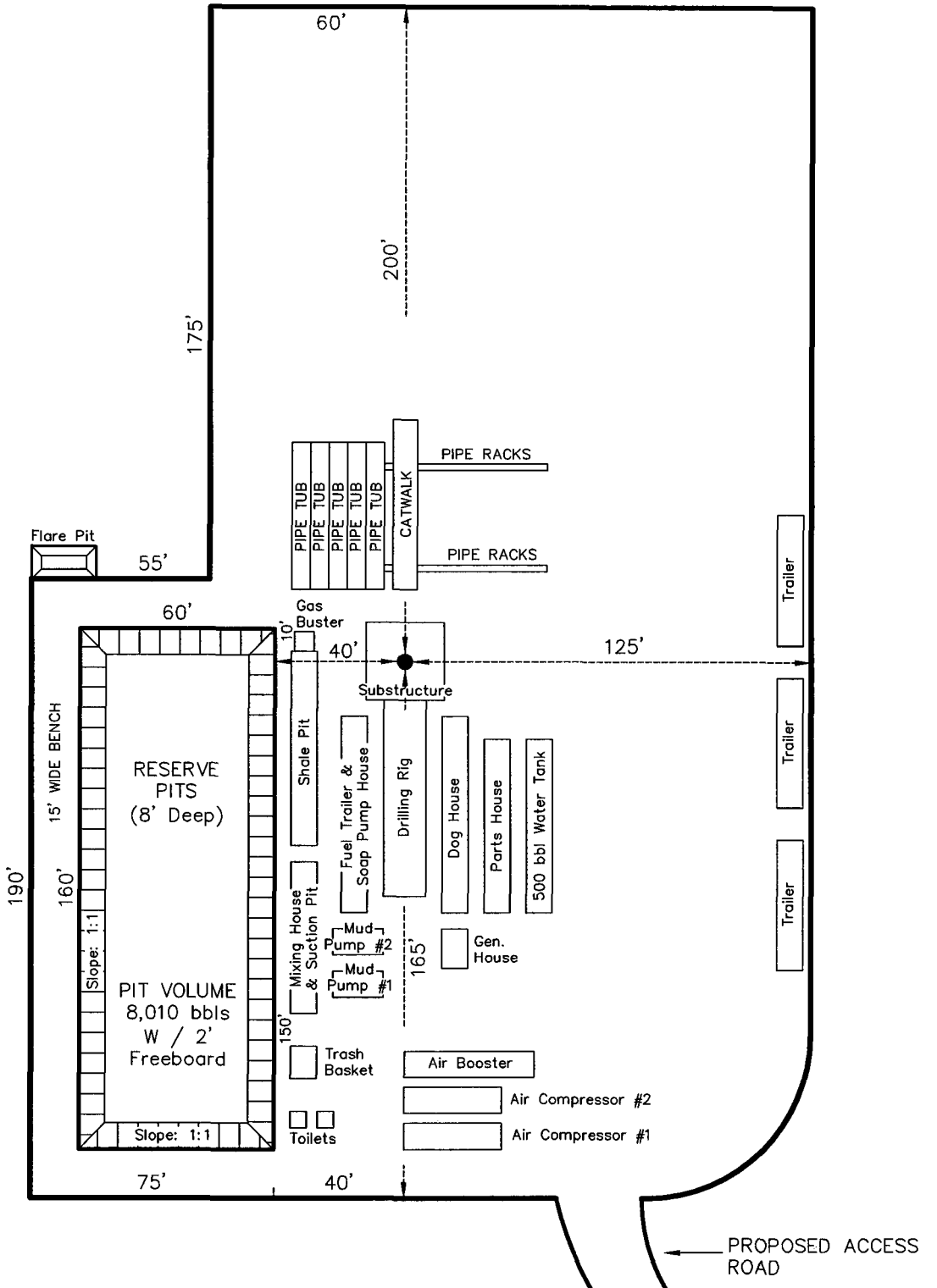
REFERENCE POINTS

175' SOUTHERLY = 4994.5'
225' SOUTHERLY = 4994.0'
250' EASTERLY = 5002.3'
300' EASTERLY = 5003.2'

Section 10, T9S, R23E, S.L.B.&M.	Qtr/Qtr Location: SE SW		Footage Location: 846' FSL & 1990' FWL	
Date Surveyed: 01-22-07	Date Drawn: 02-06-07	Date Last Revision:	Timberline Land Surveying, Inc. (435) 789-1365 38 WEST 100 NORTH VERNAL, UTAH 84078	SHEET 4 OF 10
Surveyed By: A.D.F.	Drawn By: M.W.W.	Scale: 1" = 50'		

ENDURING RESOURCES

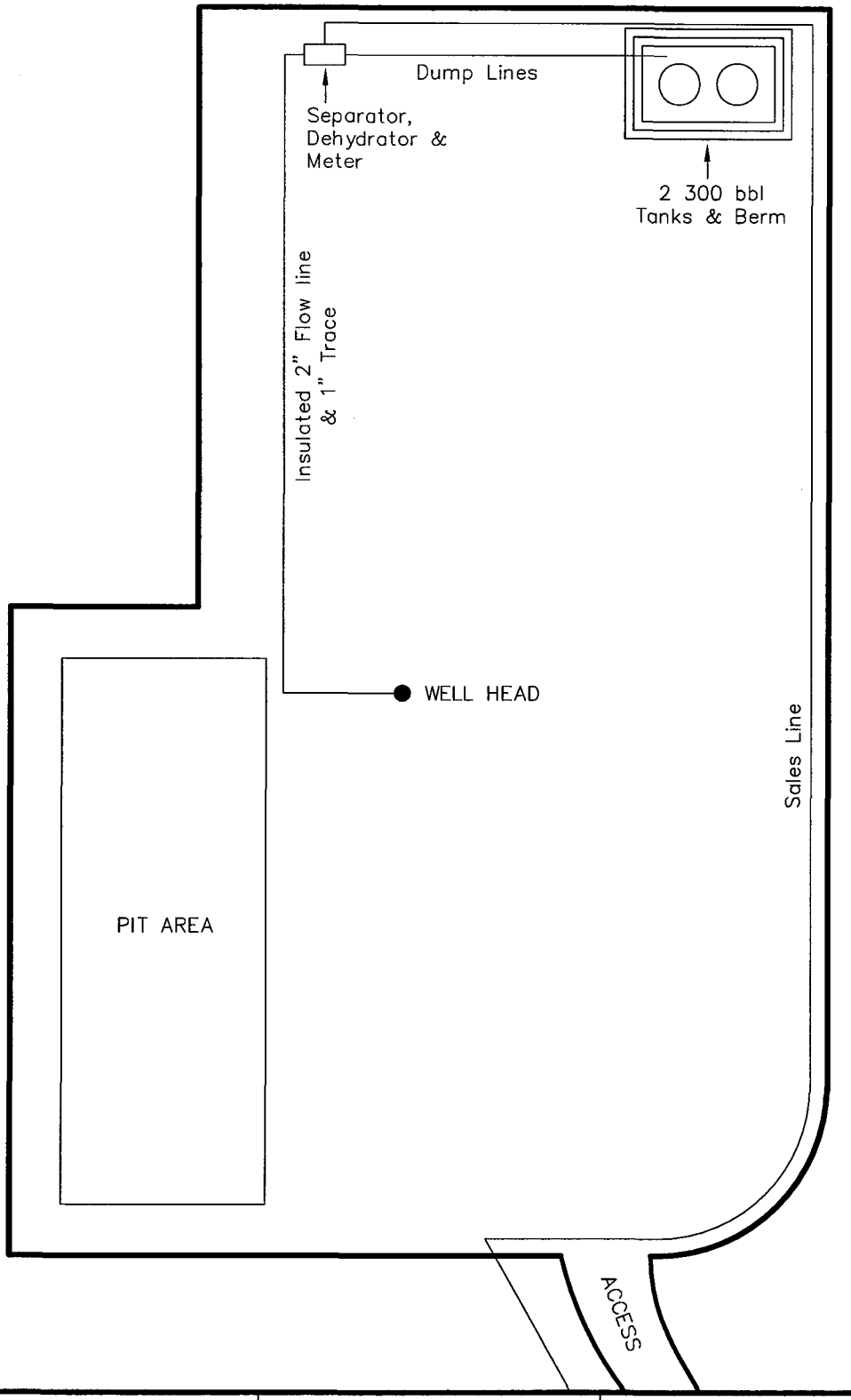
TYPICAL RIG LAYOUT - BONANZA 9-23-24-10



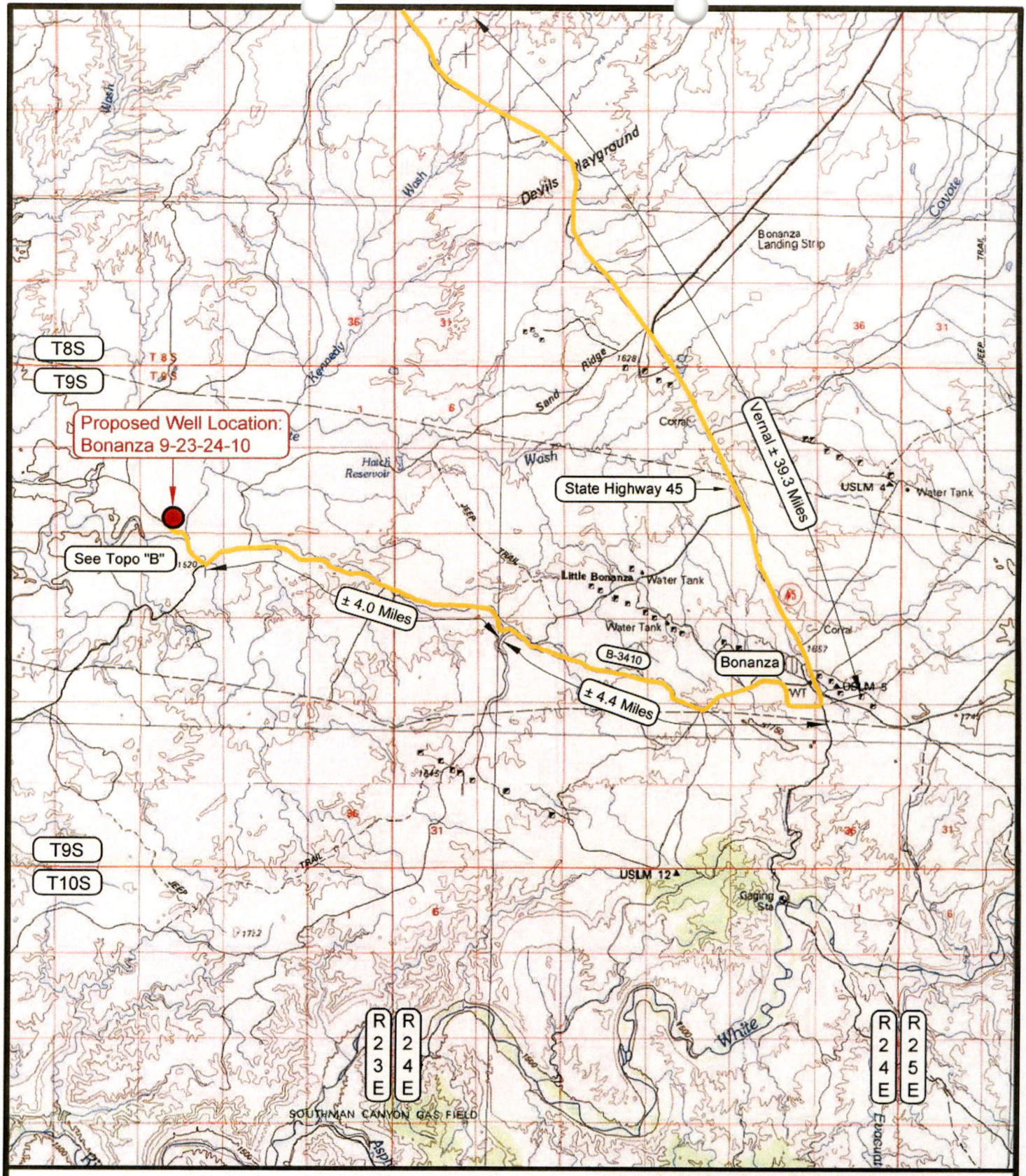
Section 10, T9S, R23E, S.L.B.&M.	Qtr/Qtr Location: SE SW		Footage Location: 846' FSL & 1990' FWL	
Date Surveyed: 01-22-07	Date Drawn: 02-06-07	Date Last Revision:	Timberline Land Surveying, Inc. (435) 789-1365 38 WEST 100 NORTH VERNAL, UTAH 84078	SHEET 5 OF 10
Surveyed By: A.D.F.	Drawn By: M.W.W.	Scale: 1" = 50'		

ENDURING RESOURCES

TYPICAL PRODUCTION LAYOUT – BONANZA 9-23-24-10



Section 10, T9S, R23E, S.L.B.&M.	Qtr/Qtr Location: SE SW		Footage Location: 846' FSL & 1990' FWL	
Date Surveyed: 01-22-07	Date Drawn: 02-06-07	Date Last Revision:	Timberline Land Surveying, Inc. (435) 789-1365 38 WEST 100 NORTH VERNAL, UTAH 84078	SHEET 6 OF 10
Surveyed By: A.D.F.	Drawn By: M.W.W.	Scale: 1" = 50'		



LEGEND

PROPOSED ACCESS ROAD
= SUBJECT WELL
= OTHER WELLS
= EXISTING ROAD
= EXISTING ROAD (TO BE IMPROVED)

B-5460 = COUNTY ROAD CLASS & NUMBER

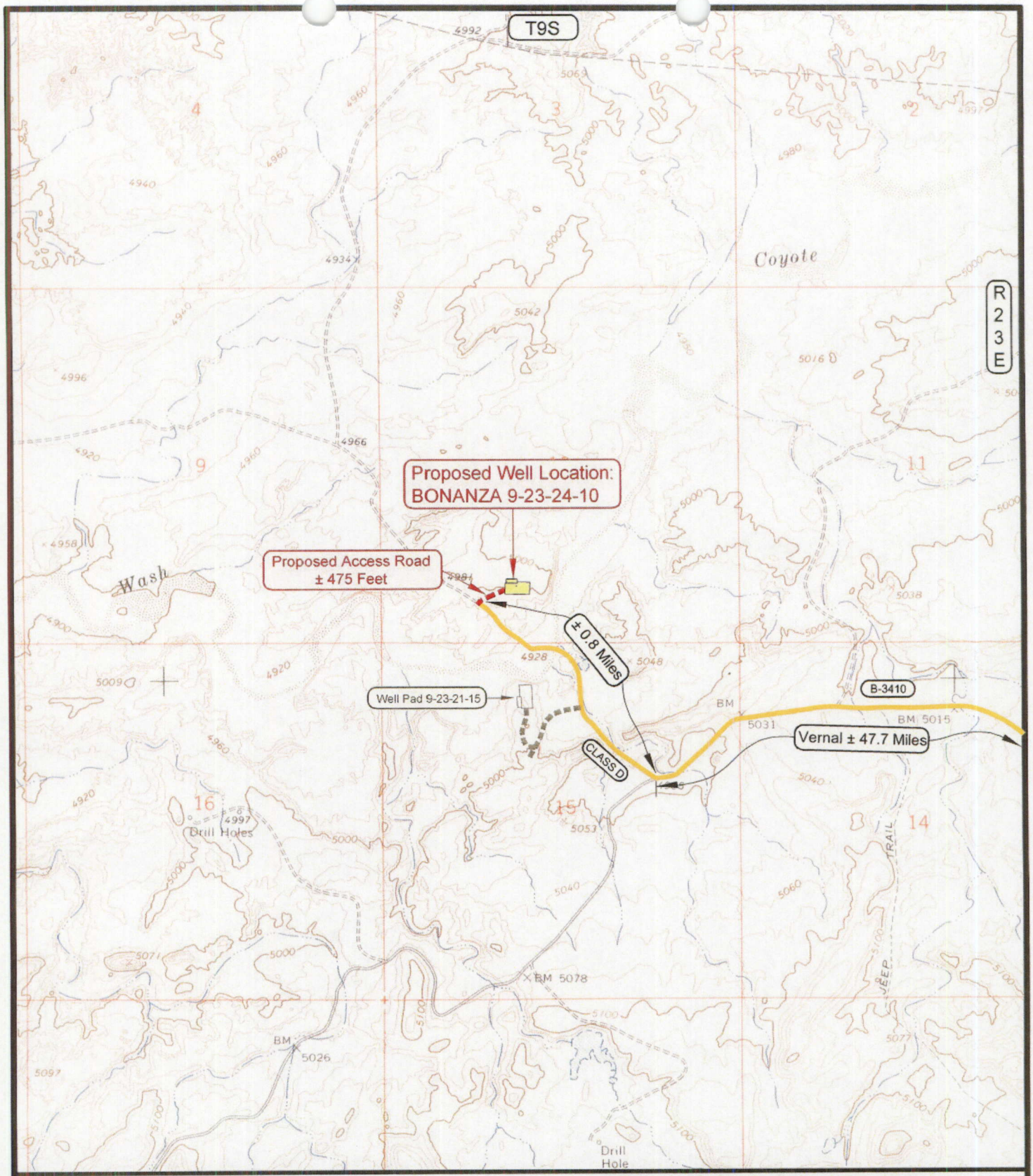
N

ENDURING RESOURCES

Bonanza 9-23-24-10
SECTION 10, T9S, R23E, S.L.B.&M.

TOPOGRAPHIC MAP "A"		DATE SURVEYED: 01-22-07
		DATE DRAWN: 01-31-07
SCALE: 1:100,000	DRAWN BY: J.L.H.	REVISED:

Timberline Land Surveying, Inc.
38 West 100 North Vernal, Utah 84078
(435) 789-1365



LEGEND

PROPOSED ACCESS ROAD
= SUBJECT WELL
= OTHER WELLS
= EXISTING ROAD
= EXISTING ROAD (TO BE IMPROVED)
B-5460 = COUNTY ROAD CLASS & NUMBER
= LEASE LINE AND / OR PROPERTY LINE

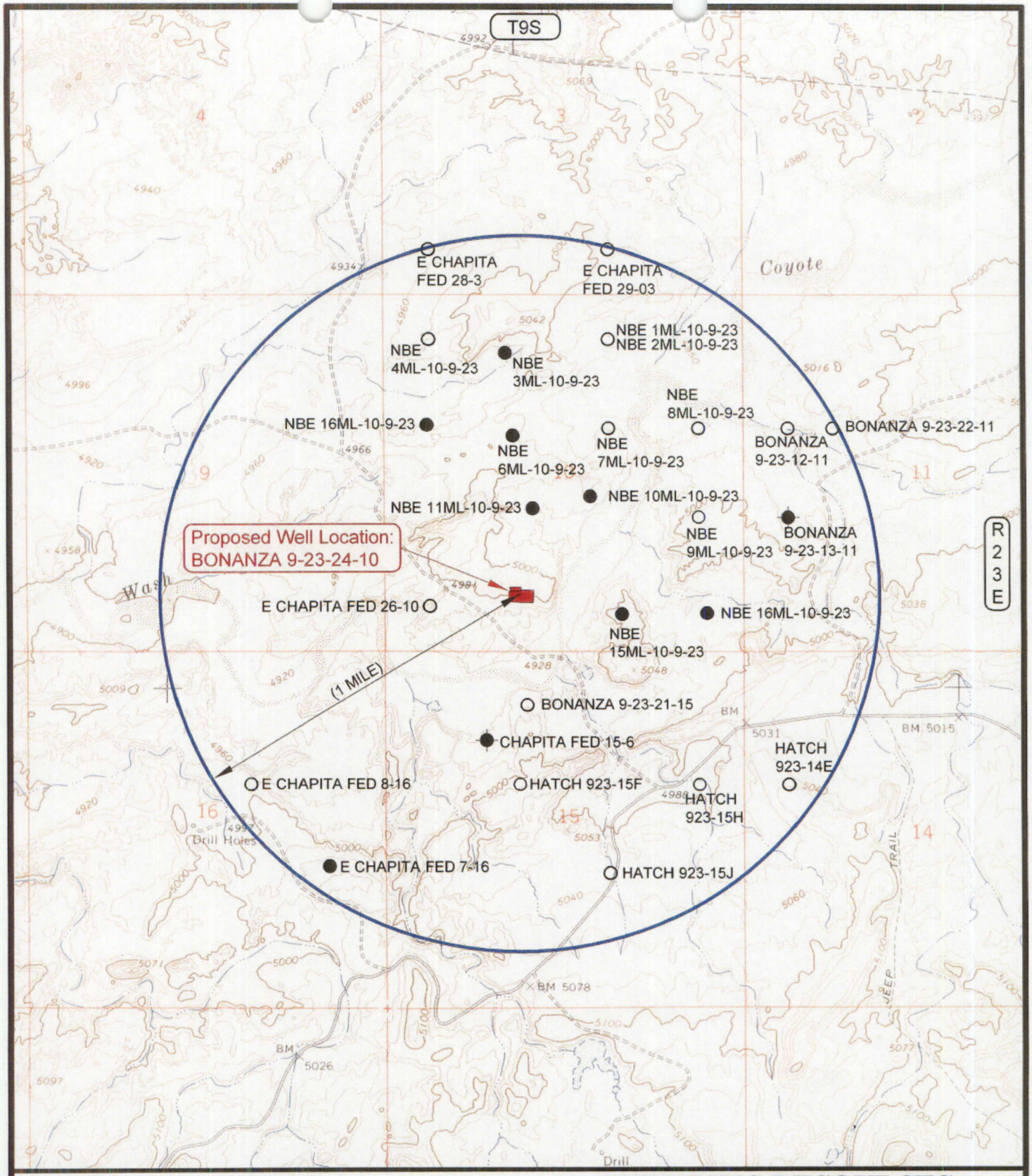
N

ENDURING RESOURCES

BONANZA 9-23-24-10
SECTION 10, T9S, R23E, S.L.B.&M.

TOPOGRAPHIC MAP "B"	DATE SURVEYED: 01-22-07
	DATE DRAWN: 01-31-07
SCALE: 1" = 2000'	DRAWN BY: J.L.H.
	REVISED:

Timberline Land Surveying, Inc.
38 West 100 North Vernal, Utah 84078
(435) 789-1365



LEGEND

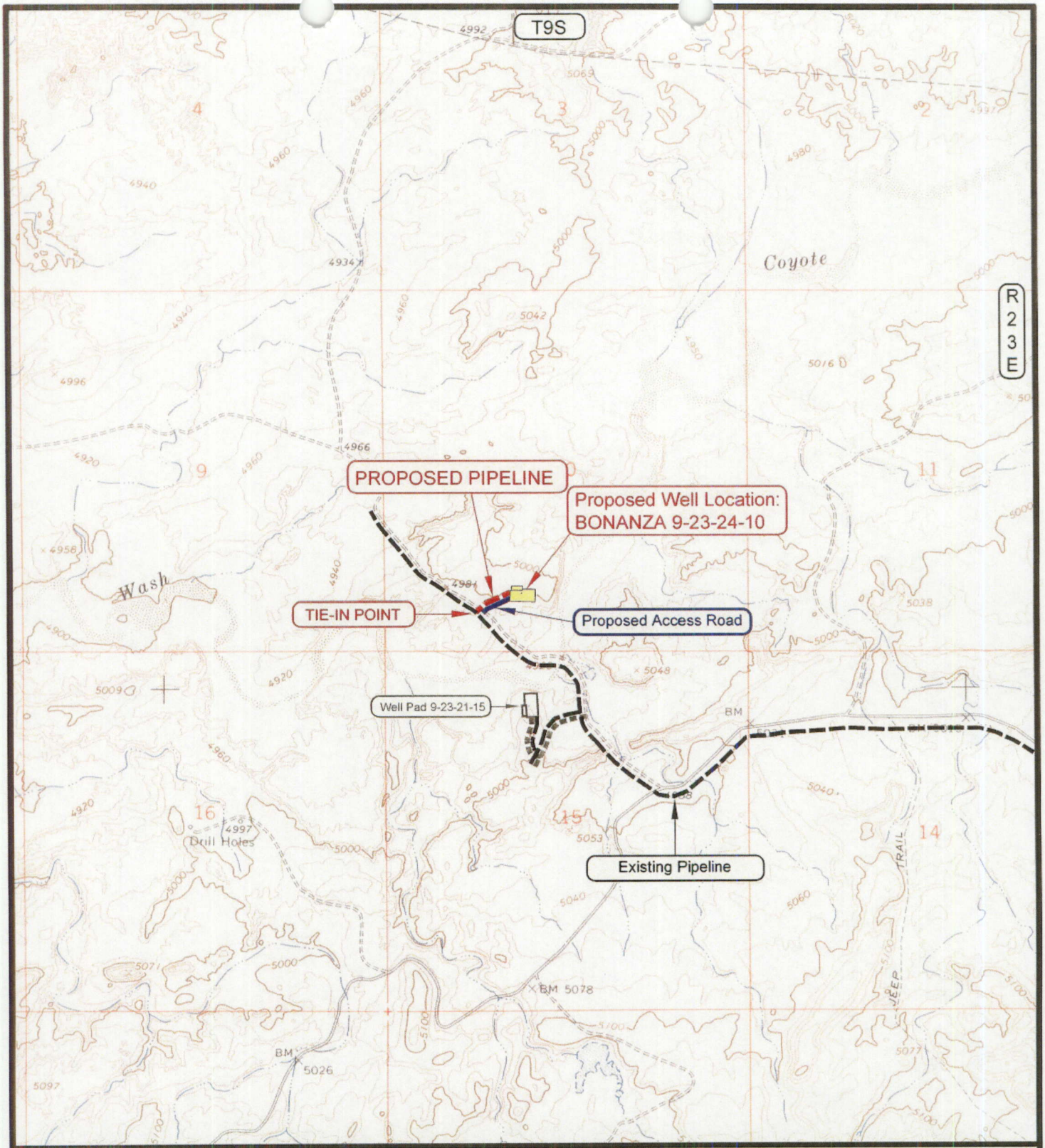
- ∅ = DISPOSAL WELL
- ● = PRODUCING WELL
- ● = SHUT IN WELL
- ○ = PROPOSED WELL
- ∅ = WATER WELL
- ● = ABANDONED WELL
- ● = TEMPORARILY ABANDONED WELL
- ⊕ = ABANDONED LOCATION

ENDURING RESOURCES

BONANZA 9-23-24-10
SECTION 10, T9S, R23E, S.L.B.&M.

TOPOGRAPHIC MAP "C"	DATE SURVEYED: 01-22-07
	DATE DRAWN: 02-01-07
SCALE: 1" = 2000' / DRAWN BY: J.L.H.	REVISED:

Timberline Land Surveying, Inc.
38 West 100 North Vernal, Utah 84078
(435) 789-1365



APPROXIMATE PIPELINE LENGTH = ± 520 Feet

LEGEND

= PROPOSED PIPELINE
= OTHER PIPELINE
PROPOSED ACCESS ROAD
= SUBJECT WELL
= OTHER WELLS
= LEASE LINE AND / OR PROPERTY LINE

N

ENDURING RESOURCES

BONANZA 9-23-24-10
SECTION 10, T9S, R23E, S.L.B.&M.

TOPOGRAPHIC MAP "D"	DATE SURVEYED: 01-22-07
	DATE DRAWN: 02-01-07
SCALE: 1" = 2000' / DRAWN BY: J.L.H.	REVISED:

Timberline Land Surveying, Inc.
38 West 100 North Vernal, Utah 84078
(435) 789-1365

SHEET 10 OF 10

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 08/22/2007

API NO. ASSIGNED: 43-047-39586

WELL NAME: BONANZA 9-23-24-10
OPERATOR: ENDURING RESOURCES, LLC (N2750)
CONTACT: AL ARLIAN

PHONE NUMBER: 303-350-5719

PROPOSED LOCATION:
SESW 10 090S 230E
SURFACE: 0846 FSL 1990 FWL
BOTTOM: 0846 FSL 1990 FWL
COUNTY: UINTAH
LATITUDE: 40.04557 LONGITUDE: -109.3147
UTM SURF EASTINGS: 643769 NORTHINGS: 4433965
FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering	DKD	9/20/07
Geology		
Surface		

LEASE TYPE: 4 - Fee
LEASE NUMBER: FEE
SURFACE OWNER: 4 - Fee

PROPOSED FORMATION: MVRD
COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

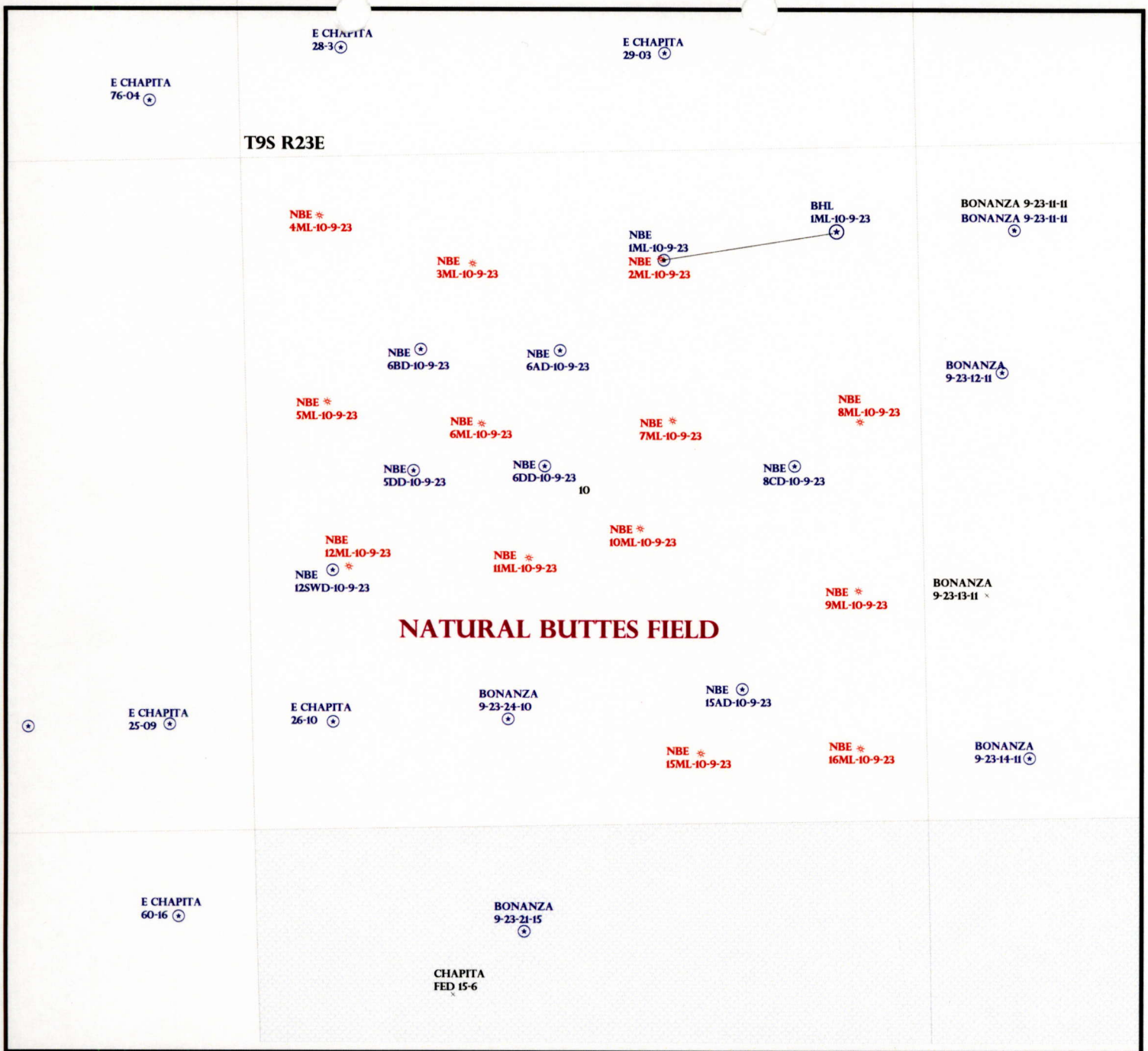
✓ Plat
✓ Bond: Fed[] Ind[] Sta[] Fee[]
(No. RLB0008031)
N Potash (Y/N)
N Oil Shale 190-5 (B) or 190-3 or 190-13
✓ Water Permit
(No. 49-222)
N RDCC Review (Y/N)
(Date:)
Y Fee Surf Agreement (Y/N)
NA Intent to Commingle (Y/N)

LOCATION AND SITING:

___ R649-2-3.
Unit:
✓ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
___ R649-3-3. Exception
___ Drilling Unit
Board Cause No:
Eff Date:
Siting:
___ R649-3-11. Directional Drill

COMMENTS: Needs Presite (09-07-2007)

STIPULATIONS: 1- Spacing Slip
2- STATEMENT OF BASIS
3- Surface Csg Cmt Stip



OPERATOR: ENDURING RES LLC (N2750)

SEC: 10 T.9S R. 23E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING

Field Status
- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

Unit Status
- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Wells Status
- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING

UTAH DNR
OIL, GAS & MINING

N
W E
S

PREPARED BY: DIANA MASON
DATE: 27-AUGUST-2007

Application for Permit to Drill
Statement of Basis

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
521	43-047-39586-00-00		GW	P	No

Operator ENDURING RESOURCES, LLC **Surface Owner-APD**
Well Name BONANZA 9-23-24-10 **Unit**
Field UNDESIGNATED **Type of Work**
Location SESW 10 9S 23E S 846 FSL 1990 FWL GPS Coord (UTM) 643769E 4433965N

Geologic Statement of Basis

Enduring proposes to set 2,016 feet of surface casing cemented to the surface. The base of the moderately saline water is estimated at2,500 feet. A search of Division of Water Rights records shows 1 water wells within a 10,000 foot radius of the proposed location. The well is listed as less than 20 feet deep and is used for stock watering and camp use. The surface formation at this location is the Uinta Formation overlaying the Green River Formation. The Uinta Formation is made up of discontinuous sands interbedded with shales and are not expected to produce prolific aquifers. The Green River Formation is made up of interbedded limestones, shales and sandstones. Fresh water aquifers can be found in the Green River Formation and should be protected. The proposed surface casing should adequately protect any potentially useable aquifers.

Brad Hill — 9/12/2007
APD Evaluator — **Date / Time**

Surface Statement of Basis

The predrill investigation of the surface was conducted on 9/7/2007. This site is on fee surface with fee mineral and appears to be a good site for drilling and future operation of a well. The surface owner is American Gilsonite. Mr. Jared Jackson was present to represent American Gilsonite and stated that he had no concerns with the propsed drilling activities.

Richard Powell — 9/7/2007
Onsite Evaluator — **Date / Time**

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A synthetic liner with a minimum thickness of 12 mils shall be properly installed and maintained in the reserve pit.

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator ENDURING RESOURCES, LLC
Well Name BONANZA 9-23-24-10
API Number 43-047-39586-0 **APD No** 521 **Field/Unit** UNDESIGNATED
Location: 1/4,1/4 SESW **Sec** 10 **Tw** 9S **Rng** 23E 846 FSL 1990 FWL
GPS Coord (UTM) 643765 4433968 **Surface Owner**

Participants

Doug Hammond (Enduring Resources), Mike Stewart (Ponderosa Oilfield/dirtcontractor), Jared Jackson (American Gilsonite), Kolby Kay (Timberline Land Surveying)

Regional/Local Setting & Topography

This area of this location slopes gradually south. To the north the ground rises gradually for several hundred feet but to the east and south of location the elevation drops to down to a usually dry wash. At this time the wash appears to be flowing with water that is being pumped from several gilsonite mines to the east. Just of the hill to the east several hundred feet of the location is a historic stage coach stop along a stage coach route which was once used to access the Uintah Basin from western Colorado. There remain the remnants of old corals and an old water well which has been fenced off by local historians.

Surface Use Plan

Current Surface Use
Wildlfe Habitat

New Road Miles	Well Pad		Src Const Material	Surface Formation
0.8	**Width** 240	**Length** 365	Onsite	

Ancillary Facilities N
None will be required

Waste Management Plan Adequate? Y

Environmental Parameters

Affected Floodplains and/or Wetland N

Flora / Fauna
Sage brush, grease wood, prickly pear, cheat grass, salt brush.
Coyote, pronghorn, rabbit, rodent, raptors, song birds.

Soil Type and Characteristics
light brown clay loam

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diverson Required N

Berm Required? N

Erosion Sedimentation Control Required? N

Paleo Survey Run? Y **Paleo Potental Observed?** N **Cultural Survey Run?** Y **Cultural Resources?** Y

Reserve Pit

Site-Specific Factors		Site Ranking
Distance to Groundwater (feet)	100 to 200	5
Distance to Surface Water (feet)	>1000	0
Dist. Nearest Municipal Well (ft)	>5280	0
Distance to Other Wells (feet)	>1320	0
Native Soil Type	Mod permeability	10
Fluid Type	Fresh Water	5
Drill Cuttings	Normal Rock	0
Annual Precipitation (inches)	<10	0
Affected Populations	<10	0
Presence Nearby Utility Conduits	Not Present	0
	Final Score	20 1 **Sensitivity Level**

Characteristics / Requirements

160 ft by 60 ft by 8 ft deep. Volume 8010 bbls w/ 2 ft freeboard

Closed Loop Mud Required? N **Liner Required?** Y **Liner Thickness** 12 **Pit Underlayment Required?** N

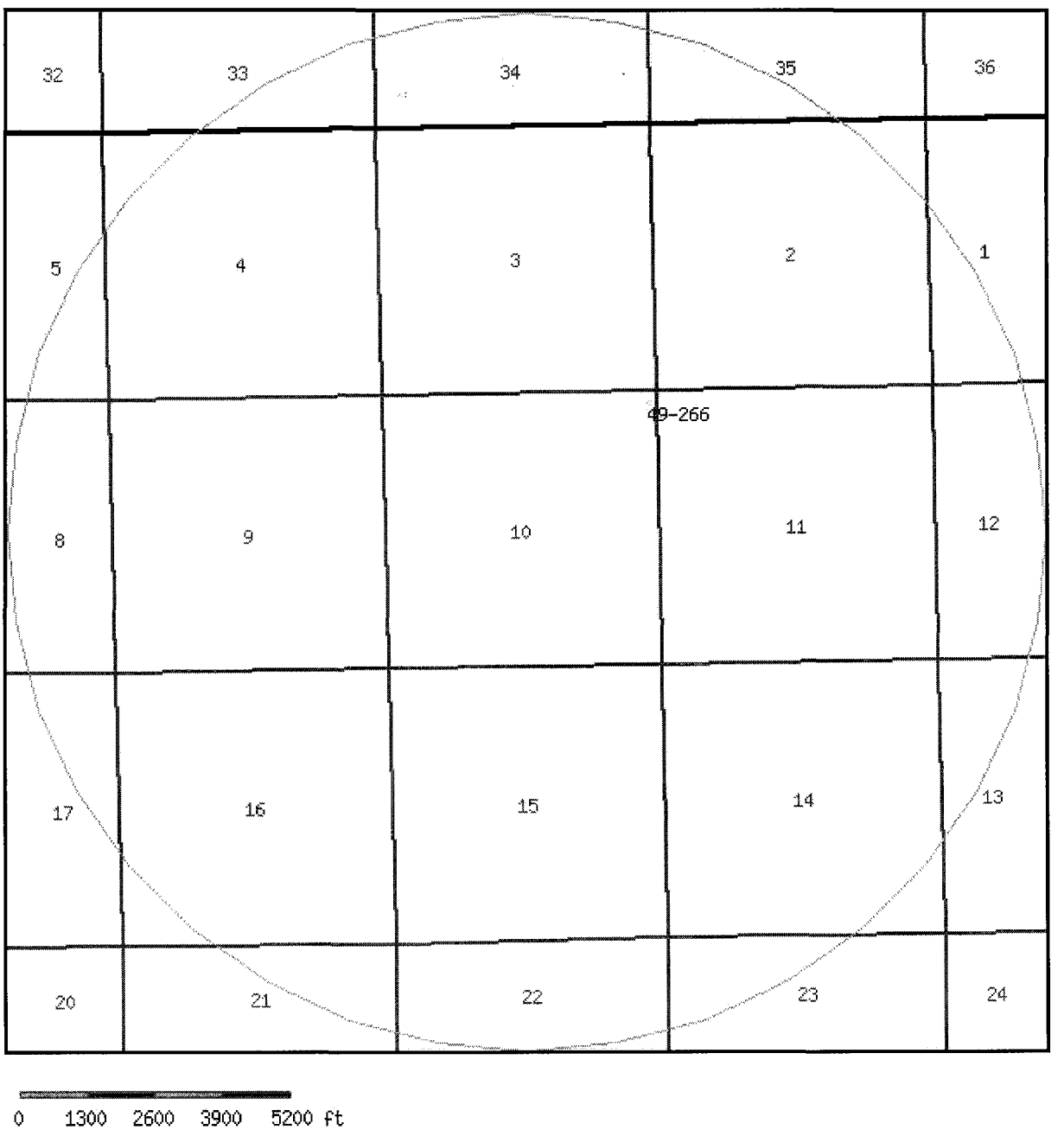
Other Observations / Comments

Richard Powell	9/7/2007
Evaluator	**Date / Time**

WRPLAT Program Output Listing

Version: 2007.04.13.01 Rundate: 09/12/2007 09:35 AM

Radius search of 10000 feet from a point N2640 E2640 from the SW corner, section 10, Township 9S, Range 23E, SL b&m Criteria:wrtypes=W,C,E podtypes=U status=U,A,P usetypes=all

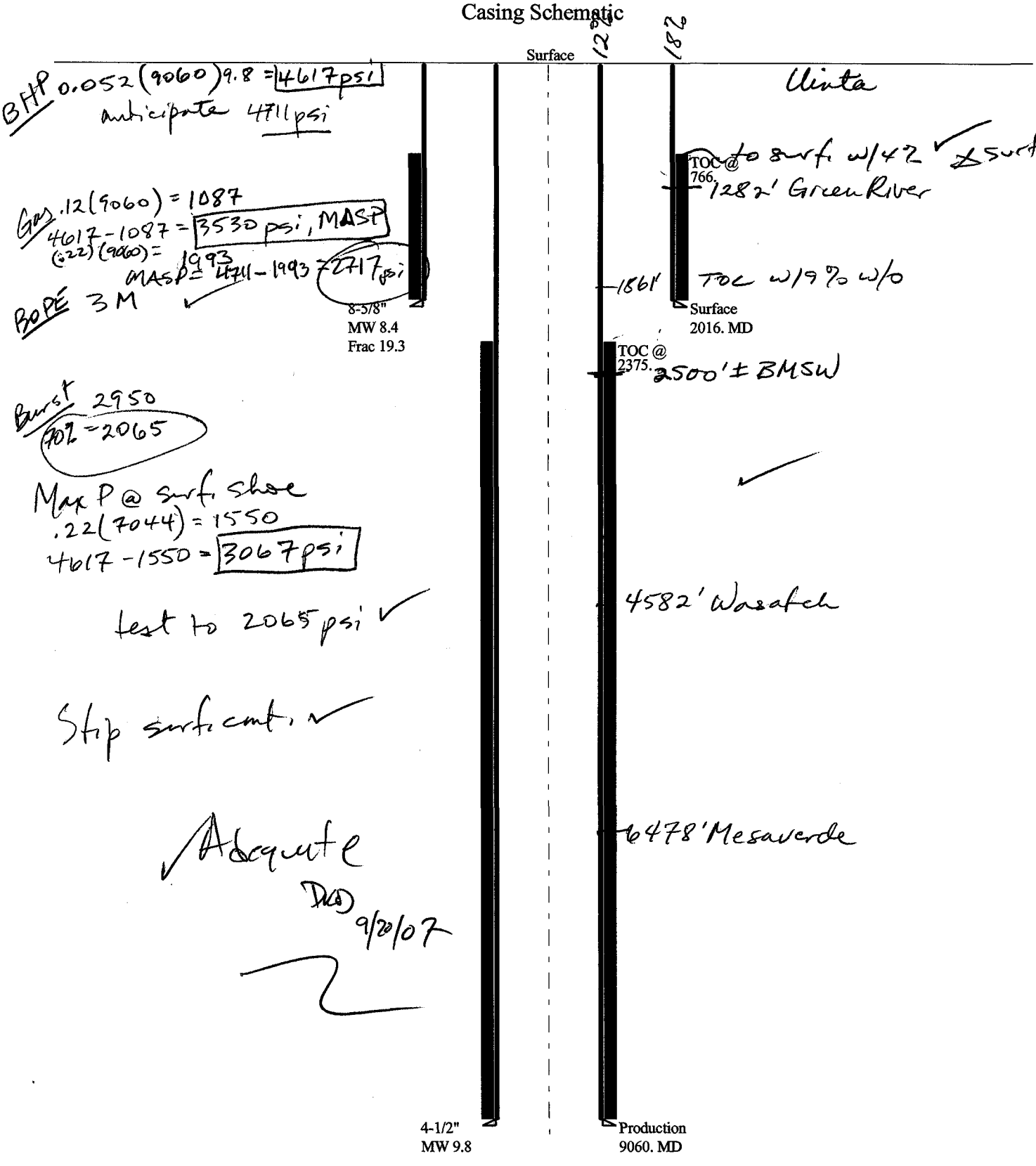


Water Rights

WR Number	Diversion Type/Location	Well Log	Status	Priority	Uses	CFS	ACFT	
49-266	Underground S250 W139 NE 10 9S 23E SL	well info	P	1926	S	0.056	0.000	MA VEI

2007-09 Enduring Bonanza 9-23-24-10

Casing Schematic



Well name:	**2007-09 Enduring Bonanza 9-23-24-10**
Operator:	**Enduring Resources, LLC**
String type:	Surface
Project ID:	43-047-39586
Location:	Uintah County

Design parameters:

Collapse

Mud weight: 8.400 ppg
Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 1,774 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 2,016 psi

No backup mud specified.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 1,762 ft

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 103 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 266 ft

Cement top: 766 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 9,060 ft
Next mud weight: 9.800 ppg
Next setting BHP: 4,612 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 2,016 ft
Injection pressure: 2,016 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft^3)
1	2016	8.625	24.00	J-55	ST&C	2016	2016	7.972	720.9

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	880	1370	1.557	2016	2950	1.46	42	244	5.77 J

Prepared by: Helen Sadik-Macdonald
Div of Oil,Gas & Minerals
Phone: 801-538-5357
FAX: 801-359-3940
Date: September 18,2007
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 2016 ft, a mud weight of 8.4 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:	**2007-09 Enduring Bonanza 9-23-24-10**
Operator:	**Enduring Resources, LLC**
String type:	Production
Project ID:	43-047-39586
Location:	Uintah County

Design parameters:

Collapse

Mud weight: 9.800 ppg
Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 2,619 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 4,612 psi

No backup mud specified.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 7,733 ft

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 202 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: 2,375 ft

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft^3)
1	9060	4.5	11.60	N-80	LT&C	9060	9060	3.875	790.6

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	4612	6350	1.377	4612	7780	1.69	90	223	2.49 J

Prepared by: Helen Sadik-Macdonald, Div of Oil,Gas & Minerals
Phone: 801-538-5357
FAX: 801-359-3940
Date: September 18,2007
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 9060 ft, a mud weight of 9.8 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

September 20, 2007

Enduring Resources, LLC
475 17th St., Ste. 1500
Denver, CO 80202

Re: Bonanza 9-23-24-10 Well, 846' FSL, 1990' FWL, SE SW, Sec. 10, T. 9 South, R. 23 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39586.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • *www.ogm.utah.gov*

UTAH DNR OIL, GAS & MINING

Operator: Enduring Resources, LLC

Well Name & Number Bonanza 9-23-24-10

API Number: 43-047-39586

Lease: FEE

Location: SE SW **Sec.** 10 **T.** 9 South **R.** 23 East

Conditions of Approval

1. **General**

   Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. **Notification Requirements**

   The operator is required to notify the Division of Oil, Gas and Mining of the following action during drilling of this well:

   - 24 hours prior to cementing or testing casing – contact Dan Jarvis
   - 24 hours prior to testing blowout prevention equipment – contact Dan Jarvis
   - 24 hours prior to spudding the well – contact Carol Daniels
   - Within 24 hours of any emergency changes made to the approved drilling program – contact Dustin Doucet
   - Prior to commencing operations to plug and abandon the well – contact Dan Jarvis

   The operator is required to get approval from the Division of Oil, Gas and Mining before performing any of the following actions during the drilling of this well:

   - Plugging and abandonment or significant plug back of this well – contact Dustin Doucet
   - Any changes to the approved drilling plan – contact Dustin Doucet

   The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voice mail message if the person is not available to take the call):

   - Dan Jarvis at: (801) 538-5338 office (801) 942-0873 home
   - Carol Daniels at: (801) 538-5284 office
   - Dustin Doucet at: (801) 538-5281 office (801) 733-0983 home

3. **Reporting Requirements**

   All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

6. Surface casing shall be cemented to surface.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

CONFIDENTIAL

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:	Fee
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:	n/a
7. UNIT or CA AGREEMENT NAME:	n/a
1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER	
8. WELL NAME and NUMBER:	Bonanza 9-23-24-10
2. NAME OF OPERATOR:	Enduring Resources, LLC
9. API NUMBER:	4304739586
3. ADDRESS OF OPERATOR:	475 17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202
PHONE NUMBER:	(303) 350-5114
10. FIELD AND POOL, OR WILDCAT:	Undesignated
4. LOCATION OF WELL	
FOOTAGES AT SURFACE:	846' FSL - 1990' FWL
COUNTY:	Uintah
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:	SESW 10 9S 23E S
STATE:	UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: 7/10/2008	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☑ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: Drilling deeper test
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Change drilling plans.

Plan to drill a "Morrison Test" to an anticipated depth of 14,640'.

Attached is a new drilling plan.

COPY SENT TO OPERATOR
Date: 7.23.2008
Initials: LCS

NAME (PLEASE PRINT) Alvin R. (Al) Arlian TITLE Landman - Regulatory Specialist

SIGNATURE DATE 7/10/2008

(This space for State use only)

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING
DATE: 7/22/08
BY:

RECEIVED
JUL 14 2008
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

* 7" intermediate Csg shall be cemented back to a minimum of 2500' MD to isolate Base of Moderately Saline Groundwater

Enduring Resources, LLC
Bonanza 9-23-24-10
SESW 10-9S-23E
Uintah County, Utah
Federal Lease: Fee

ONSHORE ORDER 1 - DRILLING PLAN

1. **Estimated Tops of Geological Markers:**

Formation	Depth (K.B.)
Uinta	Surface
Green River	1364
Wasatch	4664
Mesaverde	6547
Castlegate	9063
Mancos	10218
Mancos B	10781
Dakota	13468
Morrison	13639

2. **Estimated Depths of Anticipated Water, Oil, Gas or Other Minerals:**

Substance	Formation	Depth (K.B.)
	GR 5003'	
	KB-Uinta Elevation: 5032'	
Oil / Gas	Green River	1364
Gas	Wasatch	4664
Gas	Mesaverde	6547
Gas	Castlegate	9063
Gas	Mancos	10218
Gas	Mancos B	10781
Gas	Dakota	13468
Gas	Morrison	13639
	Estimated TD	14640

A 12 1/4" surface hole will be drilled with air, air/mist, foam or mud depending on hole conditions to approximately 2016 feet. The depth will be determined by the depth that the Birds Nest zone is encountered. The hole will be drilled 400 feet beyond the top of the Birds Nest zone and surface casing will be set and cemented to surface. Surface casing will be pre-set before drilling rig is moved on location. ProPetro Sevices Incorporated will drill the surface hole. A 300 or 400 bbl tank of fresh water will be on location prior to commencement of operations to use as a kill fluid. The anchored blooie line shall be at least 6" in

diameter and extend straight from the wellhead to the reserve/blooie pit. ProPetro's equipment includes a 1250 CFM compressor on the drilling rig along with a 1070 to 1170 CFM stand along compressor. ProPetro's equipment shall be setup on the front side of the location with the rig between the driller and the reserve/blooie pit. The stand alone compressor will be adjacent to the rig on the same side as the driller. ProPetro's equipment includes spark arrestors on engines, a diverter head, a mister close to the end of the blooie line for dust suppression, a continuously lit pilot light, a fluid pump to circulate kill fluids as necessary, a diverter on the end of the blooie line, a float valve in the drill string and kill switches.

3. Pressure Control Equipment: (10,000 psi schematic attached)

A. Type: Eleven (11) inch Single Ram BOP, Eleven (11) inch double gate hydraulic BOP with eleven (11) inch annular preventer on 5,000 psi casinghead, with **10,000** psi choke manifold equipped per the attached diagram. BOPE as specified in *Onshore Oil & Gas Order Number 2.* A PVT, stroke counter and flow sensor will be installed to check for flow and monitor pit volume. A 10K BOPE stack will be used for the entirety of the well to reduce time required to change out equipment after each casing string.

B. Pressure Rating: 10,000 psi BOP and 5000 psi Annular Preventer

C. Kelly will be equipped with upper and lower Kelly valves.

D. Testing Procedure: Annular Preventer

At a minimum, the annular preventer will be pressure tested to 50% of the Annular Preventer rated working pressure for a period of three (3) minutes or until provisions of the test are met, whichever is longer.
At a minimum, the above pressure test will be performed:

1. When the annular preventer is initially installed;
2. Whenever any seal subject to test pressure is broken;
3. Following installation up on intermediate casing string
4. Following related repairs; and
5. At thirty (30) day intervals.

In addition to the above, the annular preventer will be functionally operated at least weekly.

Blow-Out Preventer

At a minimum, the BOP, choke manifold, and related equipment will be pressure tested to 5000 psi when installed on 5000 psi Surface Casing Wellhead, and to the approved working pressure of the BOP stack after running Intermediate

Casing and installing 10,000 psi "B" Section Wellhead. Pressure will be maintained for a period of at least three (3) minutes or until the requirements of the test are met, whichever is longer.

At a minimum, the above pressure test will be performed:

1. When the BOP is initially installed;
2. Whenever any seal subject to test pressure is broken;
3. Following installation on intermediate casing string
4. Following related repairs; and
5. At thirty (30) day intervals.

In addition to the above, the pipe and blind rams will be activated each trip, but not more than once each day. All BOP drills and tests will be recorded in the IADC driller's log.

E. Miscellaneous Information:

The blowout preventer and related pressure control equipment will be installed, tested and maintained in compliance with the specifications in and requirements of *Onshore Oil & Gas Order Number 2.*

4. Proposed Casing & Cementing Program:

A. Casing Program: All New

Hole Size	Casing Size	Wt./Ft.	Grade	Joint	Depth Set (MD)
20"	14" O.D.				40' (GL)
12 1/4"	9-5/8"	36#	J-55	ST&C	0 – 2,016' (KB) est.
8 1/2"	7"	26#	P-110	LT&C	0 – 9000' (KB)
6-1/8"	4-1/2"	13.5#	P-110	LT&C	0 – 14640' (KB)

The surface casing will have guide shoe. Centralize the shoe joint with bowspring centralizers in the middle and top of the joint and the next 16 joints with bowspring centralizers on every other collar (8 centralizers total). Thread lock guide shoe. Surface casing will be pre-set before drilling rig is moved on location.

Casing string(s) will be pressure tested to 0.22 psi/foot of casing string length or 1500 psi, whichever is greater (not to exceed 70% of the internal yield strength of the casing), after cementing and prior to drilling out from under the casing shoe.

B. Casing Design Parameters:

Depth (MD)	Casing	Collapse(psi)/SF	Burst (psi)/SF	Tension(mlbs)/SF
40' (GL)	14" OD			
2016' (KB)	9-5/8", 36#/ft, J55, STC	2020/2.24(a)	3520/3.91 (b)	394/5.43(c)
9000' (KB)	7", 26#/ft, P-110, LTC	6210/1.18(d)	9960/1.90 (e)	693/2.96(c)
14640 (KB)	4-1/2", 13.5#/ft, P-110, LTC	10670/1.28(f)	12410/1.48 (g)	174/1.95(c)

(a.) based on full evacuation of pipe with 8.6 ppg fluid on annulus
(b.) based on 8.6 ppg gradient with no fluid on annulus
(c.) based on casing string weight in air
(d.) based on full evacuation of pipe with 11.2 ppg fluid on annulus
(e.) based on 11.2 ppg gradient, gas to surface, with no fluid on annulus,
(f.) based on full evaluation of pipe with 12.5 ppg fluid on annulus
(g.) based on 12.5 ppg gradient with no fluid on annulus

PROPOSED CEMENTING PROGRAM

Surface Casing (if well will circulate)-Cemented to surface

CASING	SLURRY	FT. of FILL	CEMENT TYPE	SXS	EXCESS (%)	WEIGHT (ppg)	YIELD (ft^3/sx)
9-5/8"	Lead	1516	Premium cement + 16% gel + 0.25 pps celloflake	250	100	11.0	3.80
9-5/8"	Tail	500	Premium cement + 2% CaC_2 + 0.25 pps celloflake	272	100	15.8	1.15

A cement top job is required if cement fallback is greater than 10' below ground level. Top job (weight 15.8 ppg, yield 1.15 ft^3/sx) cement will be premium cement w/ 3% $CaCl_2$.+0.25 pps celloflake. Volume as required

Intermediate Casing - Cemented TD to 300' above base of surface casing

CASING	SLURRY	FT. of FILL	CEMENT TYPE	SXS	EXCESS (%)	WEIGHT (ppg)	YIELD (ft^3/sx)
7"	Lead	6784	Elastiseal™ System foamed cement w/ 1.5% foamer	723	50	12.0	1.75
7"	Tail	500	Elastiseal™ System unfoamed cement	76	50	14.3	1.47

Production Casing and Liner - Cemented TD to 300' above top of Wasatch formation.

CASING	SLURRY	FT. of FILL	CEMENT TYPE	SXS	EXCESS (%)	WEIGHT (ppg)	YIELD (ft^3/sx)
4 1/2"	All	4170	Premium cement, 35% silica flour + 1.1% fluid loss + .85% retarder + .5% expanding additive + .4% suspension agent	594	20	15.1	1.695

Cement volumes are approximate and were calculated under the assumption that a gauge hole will be achieved. Actual cement volumes may vary due to variations in the actual hole size and will be determined by running a caliper log on the drilled hole. Actual cement types may vary due to hole conditions and cement contractor used.

All waiting on cement (WOC) times will be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.

5. Drilling Fluids (mud) Program:

Interval (MD)	Mud Weight	Fluid Loss	Viscosity	Mud Type
0' – 2016' (KB)		No cntrl		Air/mist
2000'-3000' (KB)	8.4-8.6	No cntrl	28-36	Water
3000'-9000' (KB)	9.2-11.2	8 - 10 ml	32-42	LSND
9000-14640	9.2-12.5	8-10 ml	40-60	LSND

Sufficient mud material(s) to maintain mud properties, control lost circulation and contain a blowout will be available at the well site during drilling operations.

6. Evaluation Program:

Tests: No tests are currently planned.

Coring: No cores are currently planned.

Samples: No sampling is currently planned.

- Logging Dual Induction–SFL/Gamma Ray/Caliper/SP/TDLT/CNL/ML TD to Base Surface Casing – same for both intermediate casing point and TD. A Sonic log will be added to the run at TD.

- Cement Bond Log / Gamma Ray:
  TD to Base of Surface Casing or Top of Cement if below Base of Surface Casing

Stimulation: A stimulation or frac treatment will be designed for completion of

this well based on openhole log analysis. The drill site, as approved, will be sufficient size to accommodate all completion activities.

7. Abnormal Conditions:

No abnormal temperatures or pressures are anticipated. No H_2S has been encountered or known to exist from previous wells drilled to similar depths in the general area.

Maximum anticipated bottom hole pressure equals approximately 9,516 psi (calculated at 0.65 psi/ft times depth).

8. Anticipated Starting Dates:

- Anticipated Commencement Date- Within one year of APD issue.
- Drilling Days- Approximately 45 days
- Completion Days - Approximately 20 days
- Anticipate location construction within 30 days of permit issue.

9. Variances:

Surface Drilling Operations

The blooie line will be a minimum of 35' which is the distance from the wellhead to the edge of the reserve/blooie pit. The contractor uses a diverter head instead of a rotating head and the contractor's two compressors shall be within 30' of the wellhead.

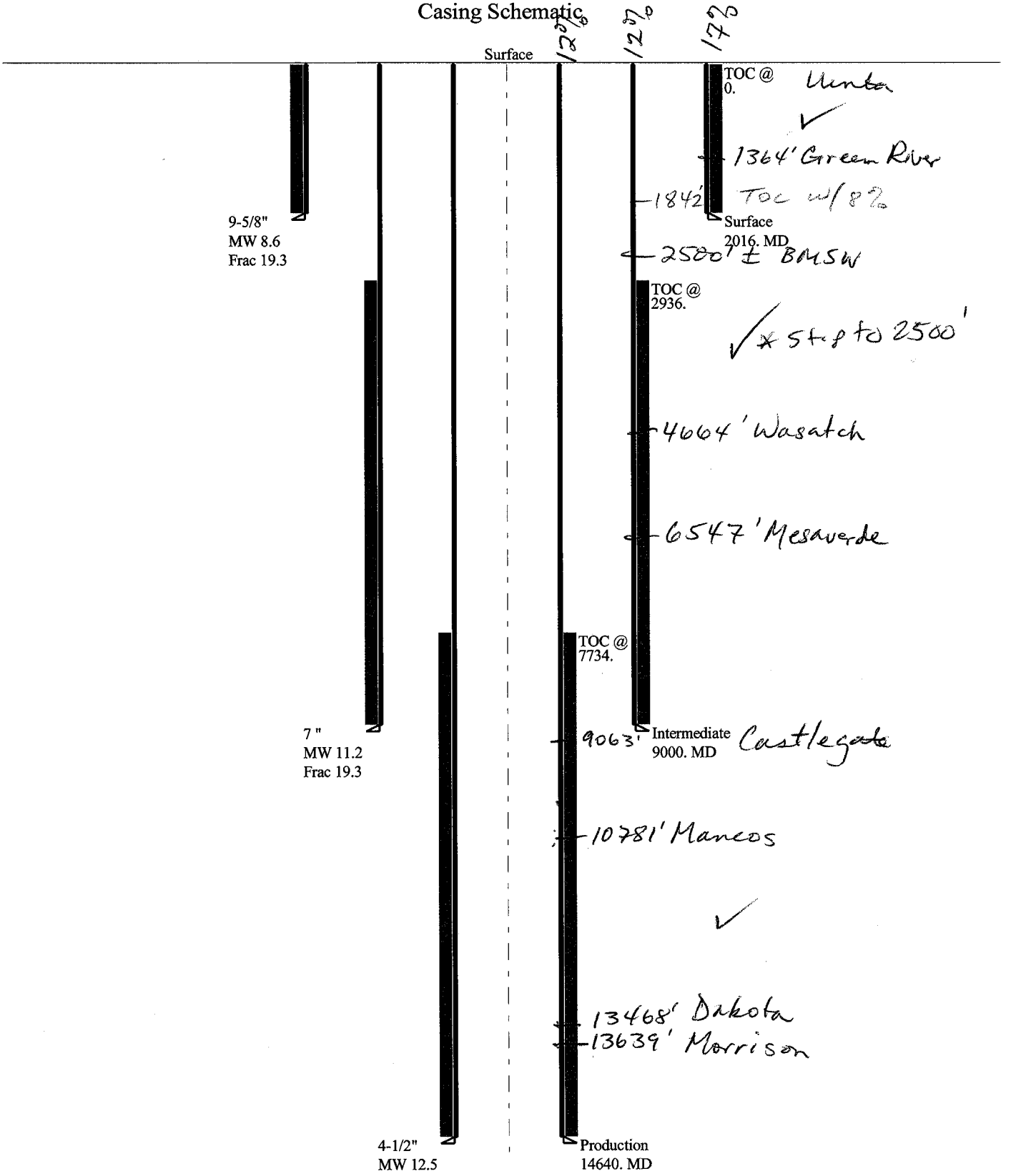
10. Other:

A Cultural Resource Inventory and Paleontology reconnaissance shall be conducted for the well location, access route and pipeline. The reports shall be submitted to the Division of Oil, Gas and Mining and the School and Institutional Trust lands Administration upon their receipt.

Inclination surveys will be run every 2000 feet to monitor hole angle.

2008-07 Enduring Bonanza 9-23-24-10(rev 2007-09)

Casing Schematic



Well name:	**2008-07 Enduring Bonanza 9-23-24-10(rev 2007-09)**
Operator:	**Enduring Resources, LLC**
String type:	Surface
Project ID:	43-047-39586
Location:	Uintah County

Design parameters:

Collapse
Mud weight: 8.600 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 1,774 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 2,016 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

Tension:
8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 1,759 ft

Environment:
H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 103 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 266 ft

Cement top: Surface

Non-directional string.

Re subsequent strings:
Next setting depth: 9,000 ft
Next mud weight: 11.200 ppg
Next setting BHP: 5,236 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 2,016 ft
Injection pressure: 2,016 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft^3)
1	2016	9.625	36.00	J-55	ST&C	2016	2016	8.796	875.1

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	901	2020	2.243	2016	3520	1.75	63	394	6.22 J

Prepared by: Helen Sadik-Macdonald, Div of Oil,Gas & Minerals
Phone: 801-538-5357
FAX: 801-359-3940
Date: July 22,2008
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 2016 ft, a mud weight of 8.6 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:	**2008-07 Enduring Bonanza 9-23-24-10(rev 2007-09)**
Operator:	**Enduring Resources, LLC**
String type:	Intermediate
Project ID:	43-047-39586
Location:	Uintah County

Design parameters:

Collapse
Mud weight: 11.200 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 6,286 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 8,266 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

Tension:
8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 7,480 ft

Environment:
H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 201 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: 2,936 ft

Non-directional string.

Re subsequent strings:
Next setting depth: 14,640 ft
Next mud weight: 12.500 ppg
Next setting BHP: 9,506 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 9,000 ft
Injection pressure: 9,000 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft^3)
1	9000	7	26.00	P-110	LT&C	9000	9000	6.151	1933.5

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	5236	6230	1.190	8266	9950	1.20	194	693	3.56 J

Prepared by: Helen Sadik-Macdonald, Div of Oil,Gas & Minerals
Phone: 801-538-5357
FAX: 801-359-3940
Date: July 22,2008
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 9000 ft, a mud weight of 11.2 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:	**2008-07 Enduring Bonanza 9-23-24-10(rev 2007-09)**
Operator:	**Enduring Resources, LLC**
String type:	Production
Project ID:	43-047-39586
Location:	Uintah County

Design parameters:

Collapse
Mud weight: 12.500 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 6,286 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 9,506 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

Tension:
8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 11,939 ft

Environment:
H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 280 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: 7,734 ft

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft^3)
1	14640	4.5	13.50	P-110	LT&C	14640	14640	3.795	1227

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	9506	10680	1.123	9506	12410	1.31	161	338	2.10 J

Prepared by: Helen Sadik-Macdonald
Div of Oil,Gas & Minerals
Phone: 801-538-5357
FAX: 801-359-3940
Date: July 22,2008
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 14640 ft, a mud weight of 12.5 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

BOPE REVIEW — Enduring Bonanza 9-23-24-10 — API # 43-047-39586

Well Name	Enduring Bonanza 9-23-24-10	API # 43-047-39586	
	String 1	String 2	String 3
Casing Size (")	9 5/8	7	4 1/2
Setting Depth (TVD)	2016	9000	14640
Previous Shoe Setting Depth (TVD)	40	2016	9000
Max Mud Weight (ppg)	8.4	11.2	12.5 ✓
BOPE Proposed (psi)	0	10000	10000
Casing Internal Yield (psi)	3520	9950	12410
Operators Max Anticipated Pressure (psi)	9516		12.5 ppg ✓

Calculations	String 1	9 5/8 "	
Max BHP [psi]	.052*Setting Depth*MW =	881	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) [psi]	Max BHP-(0.12*Setting Depth) =	639	NO Reasonable depth — no expected press.
MASP (Gas/Mud) [psi]	Max BHP-(0.22*Setting Depth) =	437	NO
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth) =	446	← NO
Required Casing/BOPE Test Pressure		2016	psi
*Max Pressure Allowed @ Previous Casing Shoe =		40	psi *Assumes 1psi/ft frac gradient

Calculations	String 2	7 "	
Max BHP [psi]	.052*Setting Depth*MW =	5242	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) [psi]	Max BHP-(0.12*Setting Depth) =	4162	YES ✓
MASP (Gas/Mud) [psi]	Max BHP-(0.22*Setting Depth) =	3262	YES
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth) =	3705	← NO Reasonable
Required Casing/BOPE Test Pressure		6965	psi
*Max Pressure Allowed @ Previous Casing Shoe =		2016	psi *Assumes 1psi/ft frac gradient

Calculations	String 3	4 1/2 "	
Max BHP [psi]	.052*Setting Depth*MW =	9516	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) [psi]	Max BHP-(0.12*Setting Depth) =	7759	YES ✓
MASP (Gas/Mud) [psi]	Max BHP-(0.22*Setting Depth) =	6295	YES
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth) =	8275	YES ✓
Required Casing/BOPE Test Pressure		8687	psi
*Max Pressure Allowed @ Previous Casing Shoe =		9000	psi *Assumes 1psi/ft frac gradient

GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

September 21, 2010

Al Arlian
Enduring Resources, LLC
475-17th Street, Ste. 1500
Denver, CO 80202

Re: APD Rescinded – Bonanza 9-23-24-10, Sec.10 T.9S, R.23E
Uintah County, Utah API No. 43-047-39586

Dear Mr. Arlian:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on September 20, 2007. On September 25, 2008 and September 30, 2009, the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective September 21, 2010.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason
Environmental Scientist

cc: Well File
Brad Hill, Technical Service Manager

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114 -5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • *www.ogm.utah.gov*

UTAH DNR
OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

CONFIDENTIAL

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER: Fee

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: Bonanza 9-23-24-10

2. NAME OF OPERATOR: Enduring Resources, LLC

9. API NUMBER: 4304739586

3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202

PHONE NUMBER: (303) 350-5114

10. FIELD AND POOL, OR WILDCAT: Undesignated

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 846' FSL - 1990' FWL

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 10 9S 23E S

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: Request for APD Extension
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Enduring Resources, LLC respectfully request an extension to the expiration date of this Application for Permit to Drill ....

FROM: 9/20/2008
TO: 9/20/2009

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 09-25-08

By:

NAME (PLEASE PRINT) Alvin R. (Al) Arlian TITLE Landman - Regulatory Specialist

SIGNATURE DATE 9/5/2008

(This space for State use only)

COPY SENT TO OPERATOR
Date: 2·29·2008
Initials: KS

RECEIVED
SEP 22 2008
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

RESET

Application for Permit to Drill
Request for Permit Extension
Validation
(this form should accompany the Sundry Notice requesting permit extension)

API: 4304739586
Well Name: Bonanza 9-23-24-10
Location: 846' FSL - 1990' FWL, SESW, Sec 10, T9S-R23E
Company Permit Issued to: Enduring Resources, LLC
Date Original Permit Issued: 9/20/2007

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes☐ No☐

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes☐ No☑

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes☐ No☑

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes☐ No☑

Has the approved source of water for drilling changed? Yes☐ No☑

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes☐ No☑

Is bonding still in place, which covers this proposed well? Yes☑ No☐

Kaylene Bennett
Signature

9/5/2008
Date

Title: Administrative Assistant

Representing: Enduring Resources, LLC

RECEIVED
SEP 2 2 2008
DIV. OF OIL, GAS & MINING

API Well No: 43047395860000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: FEE

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: BONANZA 9-23-24-10

2. NAME OF OPERATOR: Enduring Resources, LLC

9. API NUMBER: 43047395860000

3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 , Denver, CO, 80202

PHONE NUMBER: 303 350-5114 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 0846 FSL 1990 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESW Section: 10 Township: 09.0S Range: 23.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 9/25/2009	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
☐ SPUD REPORT Date of Spud:	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	✓ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Request a one-year extension to APD term.

Approved by the Utah Division of Oil, Gas and Mining

Date: September 30, 2009

By: Dustin Doucet

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Alvin Arlian	303 350-5114	Landman-Regulatory
SIGNATURE N/A		**DATE** 9/25/2009

RECEIVED September 25, 2009

The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047395860000

API: 43047395860000
Well Name: BONANZA 9-23-24-10
Location: 0846 FSL 1990 FWL QTR SESW SEC 10 TWNP 090S RNG 230E MER S
Company Permit Issued to: ENDURING RESOURCES, LLC
Date Original Permit Issued: 9/20/2007

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- **If located on private land, has the ownership changed, if so, has the surface agreement been updated?** ○ **Yes** ◉ **No**
- **Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?** ○ **Yes** ◉ **No**
- **Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?** ○ **Yes** ◉ **No**
- **Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location?** ○ **Yes** ◉ **No**
- **Has the approved source of water for drilling changed?** ○ **Yes** ◉ **No**
- **Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?** ○ **Yes** ◉ **No**
- **Is bonding still in place, which covers this proposed well?** ◉ **Yes** ○ **No**

Approved by the Utah Division of Oil, Gas and Mining

Signature: Alvin Arlian **Date:** 9/25/2009
Title: Landman-Regulatory **Representing:** ENDURING RESOURCES, LLC

Date: September 30, 2009
By:

RECEIVED September 25, 2009